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AMENDING THE MERCHANT MARINE ACT OF 1936

HEARING

BEFORE THE

COMMITTEE ON COMMERCE

AND THE

COMMITTEE ON EDUCATION AND LABOR

UNITED STATES SENATE

SEVENTY-FIFTH CONGRESS

SECOND SESSION

ON

S. 3078

A BILL TO AMEND THE MERCHANT MARINE ACT OF 1936
AND FOR OTHER PURPOSES

PART 1

DECEMBER 8, 1937

Printed for the use of the Committee on
Commerce and the Committee on Education and Labor



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III

AMENDING THE MERCHANT MARINE ACT OF 1936

WEDNESDAY, DECEMBER 8, 1937

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to call, at 10 a. m., in the caucus room, Senate Office Building, Senator Royal S. Copeland (chairman of the Commerce Committee) presiding.

Present: Senators Copeland (chairman of the Commerce Committee, presiding), Sheppard, Clark, Guffey, Radcliffe, Pepper, Nye, Vandenberg, Gibson, and Davis.

The CHAIRMAN. The committees will be in order, please. This is a meeting of the Committee on Commerce and of the Committee on Education and Labor, with reference to S. 3078, a bill to amend the Merchant Marine Act of 1936, and for other purposes.

(S. 3078 is as follows:)

[S. 3078, 75th Cong., 2d sess.]

A BILL To amend the Merchant Marine Act, 1936, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 207 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 207. The Commission may enter into such contracts, upon behalf of the United States, and may make such disbursements as may, in its discretion, be necessary to carry on the activities authorized by this Act, or to protect, preserve, or improve the collateral held by the Commission to secure indebtedness, in the same manner that a private corporation may contract within the scope of the authority conferred by its charter. All the Commission's financial transactions shall be audited in the General Accounting Office according to approved commercial practice as provided in the Act of March 20, 1922 (42 Stat. 444): *Provided*, That it shall be recognized that, because of the business activities authorized by this Act, the accounting officers shall allow credit for all expenditures shown to be necessary because of the nature of such authorized activities, notwithstanding any existing statutory provision to the contrary. The Comptroller General shall report annually or oftener to Congress any departure by the Commission from the provisions of this Act."

Sec. 2. Section 214 (a) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 214. (a) For the purpose of any investigation which, in the opinion of the Commission, is necessary and proper in carrying out the provisions of this Act, any member of the Commission, or any officer or employee thereof designated by it, is empowered to subpoena witnesses, administer oaths and affirmations, take evidence, and require the production of any books, papers, or other documents which are relevant or material to the matter under investigation. Such attendance of witnesses and the production of such books, papers, or other documents may be required from any place in the United States or any Territory, district or possession thereof at any designated place of hearing. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States."

Sec. 3. Title II of the Merchant Marine Act, 1936, is amended by adding a new section at the end thereof to read as follows:

"Sec. 215. The provisions of this Act, insofar as they are practically or appropriately applicable, are extended to the construction and operation of aircraft used in transportation for hire of passengers and property in overseas trade between the United States, its Territories, possessions, or the Canal Zone and foreign countries; and between the United States and its Territories, possessions, or the Canal Zone; and between such Territories or possessions and between the Canal Zone and such Territories or possessions."

SEC. 4. Section 301 (a) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 301. (a) The Commission is authorized and directed to investigate the employment and wage conditions and ocean-going shipping and, after making such investigation and after appropriate hearings, to incorporate in the contracts authorized under titles VI and VII of the Act minimum-manning scales and minimum-wage scales, and reasonable working conditions for all officers and crews employed on all types of vessels receiving an operating-differential subsidy. After such minimum manning and wage scales and working conditions shall have been adopted by the Commission, no change shall be made therein by the Commission except upon public notice of the hearing to be had, and a hearing by the Commission of all interested parties, under such rules as the Commission shall prescribe. Every contractor receiving an operating-differential subsidy shall post and keep posted in a conspicuous place on each such vessel operated by such contractor a printed copy of the minimum manning and wage scales and working conditions prescribed by his contract and applicable to such vessel: *Provided, however,* That any increase in the operating expenses of the subsidized vessel occasioned by any change in the wage, manning scales, and working conditions as provided in this section shall be added to the operating-differential subsidy previously authorized for the vessel."

SEC. 5. Section 301 (b) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(b) Every contract executed under authority of titles VI and VII of this Act shall require—

"(1) Insofar as is practicable, officers' living quarters shall be kept separate and apart from those furnished for members of the crew;

"(2) Licensed officers and unlicensed members of the crew shall be entitled to make complaints or recommendations to the Commission, provided they file such complaint or recommendation with their immediate superior, who shall be required to forward such complaint or recommendation with his remarks to the Commission;

"(3) Licensed officers who are members of the United States Naval Reserve shall wear on their uniforms such special distinguishing insignia as may be approved by the Secretary of the Navy; officers being those men serving under licenses issued by the Bureau of Marine Inspection and Navigation;

"(4) The uniform stripes, decoration, or other insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia;

"(5) No discrimination shall be practiced against licensed officers, who are otherwise qualified, because of their failure to qualify as members of the United States Naval Reserve."

SEC. 6. Section 402 (b) and (c) of the Merchant Marine Act, 1936, is hereby amended by striking out the quotation marks.

SEC. 7. Section 501 (c) of the Merchant Marine Act, 1936, is hereby amended by striking out the words "section 201 (c)" where they appear in such subsection and inserting in lieu thereof the words "section 204 (b)."

SEC. 8. Section 502 (a) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(a) If the Secretary of the Navy certifies his approval under section 501 (b) of this Act, and the Commission approves the application, it may secure, on behalf of the applicant, bids from foreign and domestic shipbuilders for the construction of the proposed vessel according to the approved plans and specifications. If the bid of the domestic shipbuilder who is the lowest responsible domestic bidder is determined by the Commission to be fair and reasonable, the Commission may approve such bid, and, if such approved bid is accepted by the applicant, the Commission is authorized to enter into a contract with the successful domestic bidder for the construction, outfitting, and equipment of the proposed vessel, and for the payment by the Commission to the shipbuilder, on terms to be agreed upon in the contract, of the contract price of

the vessel, out of the construction fund hereinbefore referred to or out of other available funds. Concurrently with entering into such contract with the domestic shipbuilder, the Commission is authorized to enter into a contract with the applicant for the purchase by him of such vessel upon its completion, at a price corresponding to the estimated cost, as determined by the Commission pursuant to the provisions of this Act, of building such vessel in a foreign shipyard."

Sec. 9. Section 502 (b) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(b) The amount of the reduction in selling price which is herein termed the 'construction-differential subsidy' may equal, but not exceed, the excess of the bid of the domestic shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national-defense uses, which shall be paid by the Commission in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Commission, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national-defense features as above provided) in a principal foreign ship-building center which is available to the principal foreign competitors in the service in which the vessel is to be operated and which is deemed by the Commission to furnish a fair and representative example for the determination of the estimated cost of construction in foreign countries of vessels of the type proposed to be constructed. The construction differential approved by the Commission shall not exceed 33½ per centum of the construction cost of the vessel paid by the Commission (excluding the cost of national-defense features as above provided), except that in cases where the Commission possesses convincing evidence that the actual differential is greater than that percentage, the Commission may approve an allowance not to exceed 50 per centum of such cost, upon the affirmative vote of four members, except as otherwise provided in subsection 201 (a). In any case where the Commission finds that the construction differential exceeds 33½ per centum but does not exceed 50 per centum of such cost, and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may authorize the applicant to have the vessel built in a foreign shipyard, without financial aid from the United States, if the applicant agrees to document such vessel under the laws of the United States as soon as practicable after its completion. Where the Commission finds that the construction differential exceeds 50 per centum of such cost, the applicant may have such vessel built in a foreign shipyard without the consent of the Commission. The Commission shall reimburse the applicant for the cost of the national-defense features incorporated in such vessels constructed in foreign shipyards under this section. Notwithstanding any other provision of law, such vessels shall be eligible for an operating-differential subsidy upon being documented under the laws of the United States, under the same terms and conditions as if such vessels had been constructed in a domestic shipyard under the provisions of this Act."

Sec. 10. Section 502 (c) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(c) In such contract between the applicant and the Commission, the applicant shall be required to make cash payments to the Commission of not less than 25 per centum of the price at which the vessel is sold to the applicant. The cash payments shall be made at the time and in the same proportion as provided for the payments on account of the construction cost in the contract between the shipbuilder and the Commission. The applicant shall pay, not less frequently than annually, interest at the rate of 3½ per centum per annum on those portions of the Commission's payments as made to the shipbuilder which are chargeable to the applicant's purchase price of the vessel (after deduction of the applicant's cash payments). The balance of such purchase price shall be paid by the applicant, within twenty years after delivery of the vessel and in not to exceed twenty equal annual installments, the first of which shall be payable one year after the delivery of the vessel by the Commission to the applicant. Interest at the rate of 3½ per centum per annum shall be paid on all such installments of the purchase price remaining unpaid."

Sec. 11. Section 502 (d) of the Merchant Marine Act, 1936, is hereby amended by adding at the end thereof a new sentence to read as follows: "Nothing in this section shall be construed as authorizing the Commission to approve a construction-differential in excess of 50 per centum of the construction cost of the vessel paid by the Commission."

Sec. 12. Section 503 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 503. Upon completion of the construction of any vessel in respect to which a construction-differential subsidy is to be allowed under this title and its delivery by the shipbuilder to the Commission, the vessel shall be documented under the laws of the United States, and concurrently therewith, or as soon thereafter as practicable, the vessel shall be delivered with a bill of sale to the applicant with warranty against liens, pursuant to the contract of purchase between the applicant and the Commission. The vessel shall remain documented under the laws of the United States for not less than twenty years, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period. At the time of delivery of the vessel the applicant shall execute and deliver a first preferred mortgage to the United States to secure payment of any sums due from the applicant in respect to said vessel. The purchaser shall also comply with all the provisions of section 9 of the Merchant Marine Act, 1920."

Sec. 13. Section 504 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 504. Where an eligible applicant under the terms of this title desires to finance the construction of a proposed vessel according to approved plans and specifications rather than purchase the same vessel from the Commission as hereinabove authorized, the Commission may permit the applicant to obtain and submit to it competitive bids from domestic shipyards for such work. If the Commission considers the bid of the shipyard in which the applicant desires to have the vessel built fair and reasonable, it may approve such bid and become a party to the contract or contracts or other arrangements for the construction of such proposed vessel and may agree to pay a construction-differential subsidy in an amount determined by the Commission in accordance with section 502 of this title and for the cost of national-defense features. The construction-differential subsidy and payments for national-defense features shall be based on the lowest responsible domestic bid. No construction-differential subsidy, as provided in this section, shall be paid unless the said contract or contracts or other arrangements contain such provisions as are provided in this title to protect the interests of the United States as the Commission deems necessary. Such vessel shall be documented under the laws of the United States as provided in section 503 of this title and operated as approved by the Commission under the requirements applicable to vessels constructed under this Act."

Sec. 14. The last proviso in section 505 (b) of the Merchant Marine Act, 1936, is hereby amended to read as follows: "Provided, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication and navigation as may be so designated by the Commission, nor to contracts or other arrangements entered into under this title by the terms of which the United States undertakes to pay only for national-defense features, and the Commission shall report annually to Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof."

Sec. 15. The Merchant Marine Act, 1936, is hereby amended by striking out section 506 and inserting in lieu thereof the following:

"Sec. 506. Every owner of a vessel for which a construction-differential subsidy has been paid shall agree that the vessel shall be operated exclusively in foreign trade, or on a round-the-world voyage, or on a round voyage from the west coast of the United States to a European port or ports which includes intercoastal ports of the United States, or a round voyage from the Atlantic coast of the United States to the Orient which includes intercoastal ports of the United States, or on a voyage in foreign trade on which the vessel may stop at an island possession or island Territory of the United States, and that, if the vessel is operated in the domestic trade on any of the above-enumerated services, he will pay annually to the Commission that proportion of one-twentieth of the construction-differential subsidy paid for such vessel as the gross revenue derived from the domestic trade bears to the gross revenue derived from the entire voyages completed during the preceding year. The Commission may consent in writing to the temporary transfer of such vessel to service other than the service covered by such agreement, for periods not exceeding six months in any year, whenever the Commission may determine that such transfer is necessary or appropriate to carry out the purposes of this Act. Such consent shall be conditioned upon the agreement by the owner to pay to the Commission, upon such terms and conditions as it may prescribe,

an amount which bears the same proportion to the construction-differential subsidy paid by the Commission as such temporary period bears to the entire economic life of the vessel. No operating-differential subsidy shall be paid for the operation of such vessel for such temporary period."

SEC. 16. Section 507 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"SEC. 507. If a contract is made by the Commission under authority of this title for the construction and sale of a new vessel to replace a vessel then operated in foreign trade, which in the judgment of the Commission should be replaced because it is obsolete or inadequate for successful operation in such trade, the Commission is authorized, in its discretion, to buy such replaced vessel from the owner at a fair and reasonable valuation, which valuation shall not exceed the cost to the owner or any former owner plus the actual cost previously expended thereon for reconditioning, and less a reasonable and proper depreciation, based upon not more than a twenty-year life of the vessel, and apply the purchase price agreed upon to that portion of the construction cost of such new vessel which is to be borne by the purchaser thereof; *Provided*, That the owner of such replaced vessel shall execute a bond, with one or more approved sureties, conditioned upon indemnifying the United States from all loss resulting from any existing lien against such vessel: *And provided further*, That such vessel has been documented under the laws of the United States for a period of at least ten years prior to the date of its purchase by the United States."

SEC. 17. The first sentence and the second sentence down to the first semicolon of section 509 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"SEC. 509. Any citizen of the United States may make application to the Commission for aid in the construction of a new vessel to be operated in the foreign or domestic trade (excepting vessels engaged solely in the transportation of property on inland rivers and canals exclusively). If such application is approved by the Commission, the vessel may be constructed under the terms and conditions of this title, but no construction-differential subsidy shall be allowed. The Commission shall pay for the cost of national-defense features incorporated in such vessel. The applicant shall be required to pay the Commission not less than 25 per centum of the cost of such vessel (excluding cost of national-defense features);".

SEC. 18. Section 604 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"SEC. 604. If in the case of any particular foreign-trade route the Commission finds, after consultation with the Secretary of State, that the subsidy provided for in this title is in any respect inadequate to offset the effect of governmental aid paid to foreign competitors, it may grant such additional subsidy as it determines to be necessary for that purpose: *Provided*, That no such additional subsidy shall be granted except upon an affirmative vote of four of the members of the Commission."

SEC. 19. Section 606 (5) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(5) that when at the end of any ten-year period during which an operating-differential subsidy has been paid, or when prior to the end of any such ten-year period the contract shall be terminated, if the net profit of the contractor on his subsidized vessels and services incident thereto during such period or time (without regard to capital gains and capital losses), after deduction of depreciation charges based upon a twenty-year life expectancy of the subsidized vessels has averaged more than 10 per centum per annum upon the contractor's capital investment necessarily employed in the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential-subsidy payments received by the contractor for such ten-year period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential-subsidy payments theretofore made to the contractor for such period under such contract and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607;".

SEC. 20. The last sentence of the first paragraph of section 607 (b) of the Merchant Marine Act, 1936, is hereby amended to read as follows: "The proceeds of all insurance and indemnities received by the contractor on account

of total loss of any subsidized vessel and the proceeds of any sale or other disposition of such vessel shall also be deposited in the capital reserve fund."

SEC. 21. Section 607 (b) of the Merchant Marine Act, 1936, is hereby amended by adding at the end thereof a new sentence to read as follows: "The contractor may, with the consent of the Commission, pay from said fund any sums owing but not yet due on notes secured by mortgages on subsidized vessels."

SEC. 22. The second paragraph of section 607 (c) of the Merchant Marine Act, 1936, is amended to read as follows:

"If the profits, without regard to capital gains and capital losses, earned by the business of the subsidized vessels and services incident thereto exceed 10 per centum per annum and exceed the percentage of profits deposited in the capital reserve fund, as provided in subsection (b) of this section, the contractor shall deposit annually such excess profits in this reserve fund. From the special reserve fund the contractor may make the following disbursements and no others:"

SEC. 23. Section 607 (c) (2) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(2) Reimbursement to the contractor's general funds for current operating losses on completed voyages of subsidized vessels whenever the Commission shall determine it is improbable that such current losses will be made up by profits on other voyages during the current year;"

SEC. 24. The Merchant Marine Act, 1936, is hereby amended by inserting two new subsections after subsection (e) of section 607 to read as follows:

"(f) Unless otherwise provided in the operating-differential-subsidy contract, upon the termination of any such contract, the reserve funds required under this Act shall be the property of the contractor, except for such amounts as may be due the United States.

"(g) With the approval of the Commission, the contractor may voluntarily increase the amount of either or both reserve funds by depositing in such fund or funds any or all of the earnings otherwise available for distribution to stockholders, or may transfer funds from the special reserve funds to the capital reserve fund."

SEC. 25. Subsection (f) of section 607 of the Merchant Marine Act, 1936, is amended to read as follows:

"(h) The earnings of any contractor receiving an operating-differential subsidy under authority of this Act, which are deposited in the contractor's reserve funds as provided in this section, except earnings withdrawn from the special reserve funds and paid into the contractor's general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section, shall be exempt from all Federal taxes. Earnings withdrawn from such special reserve fund shall be taxable as if earned during the year of withdrawal from such fund."

SEC. 26. Section 609 of the Merchant Marine Act, 1936, is hereby amended by striking out the letter "(a)" and by repealing subsection (b) thereof.

SEC. 27. Section 610 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"SEC. 610. An operating-differential subsidy shall not be paid under authority of this title on account of the operation of any vessel which does not meet the following requirements: (1) The vessel shall be of steel or other acceptable metal, shall be propelled by steam or motor, shall be as nearly fireproof as practicable, shall be built in a domestic yard (except as provided in section 502 (b)) or shall have been documented under the laws of the United States not later than February 1, 1928, or actually ordered and under construction for the account of citizens of the United States prior to such date, and shall be documented under the laws of the United States during the entire life of the subsidy contract; and (2) if the vessel shall be constructed after the passage of this Act it shall be either a vessel constructed according to plans and specifications approved by the Commission and the Secretary of the Navy, with particular reference to economical conversion into an auxiliary naval vessel, or a vessel approved by the Commission and the Navy Department as otherwise useful to the United States in time of national emergency."

SEC. 28. The Merchant Marine Act, 1936, is hereby amended by adding a new section at the end of title VI thereof to read as follows:

"SEC. 611. (a) The contractor, upon compliance with the provisions of this section, may transfer to foreign registry the vessels covered by an operating-differential-subsidy contract held by him in the event that the United States defaults upon such contract or cancels it without just cause. Any contractor

desiring to transfer any such vessel to foreign registry upon such default or cancellation shall file an application to writing with the Commission setting forth its contentions with respect to the lack of just cause or lawful grounds for such default or cancellation. The Commission shall afford the contractor an opportunity for a hearing within twenty days after such contractor files written application therefor, and, after the testimony, if any, in such hearing has been reduced to writing and filed with the Commission, it shall, within a reasonable time, grant or deny the application by order.

"(b) If any such application is denied, the contractor may obtain a review of the order of denial in the United States Court of Appeals for the District of Columbia, by filing in such court, within twenty days after the entry of such order, a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon any member of the Commission, or upon any officer thereof designated by the Commission for that purpose, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to determine whether such cancellation or default was without just cause, and to affirm or set aside such order. The judgment and decree of the court affirming or setting aside any such order of the Commission shall be final.

"(c) No transfer of vessels to foreign registry under this section shall become effective until any indebtedness to the Government or to any citizen of the United States, secured by such vessels, has been paid or discharged, and until after the expiration of ninety days from the date of final determination of the application or the appeal, if any. Within such ninety-day period the Commission may (1) with the consent of the contractor purchase the vessels at cost to the contractor plus cost of capital improvements thereon, less 5 per centum annual depreciation upon such vessel, and the actual depreciated costs of capital improvements thereon, or (2) reinstate the contract and adjust or settle, to the satisfaction of the contractor, the default found by the Commission or the court to exist."

Sec. 29. Section 708 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 708. The Commission may, if in its discretion financial aid is deemed necessary, enter into a contract with any charterer of its vessels for payment to such charterer of an operating-differential subsidy upon the same terms and conditions and subject to the same limitations and restrictions, where applicable, as are elsewhere provided in this Act with respect to payments of such subsidies to operators of privately owned vessels."

Sec. 30. Section 714 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 714. If the Commission shall find that any trade route (determined by the Commission to be an essential trade route as provided in section 211 of this Act) cannot be successfully developed and maintained and the Commission's replacement program cannot be achieved under private operation of such trade route by a citizen of the United States with vessels registered under the laws thereof, without further Government aid in addition to the financial aids authorized under titles V and VI of this Act, the Commission is authorized to have constructed, in private shipyards or in navy yards, the vessel or vessels of the types deemed necessary for such trade route, and to demise such new vessel or vessels on bare-hoat charter to the American-flag operator established on such trade route, without advertisement or competition, upon an annual charter hire of not less than 5 per centum of the construction cost of such new vessel or vessels. Such charter may contain an option to the charterer to purchase such vessel or vessels from the Commission, within five years after the execution of the charter, upon the same terms and conditions as are provided in title V for the purchase of new vessels from the Commission and upon the agreement of the purchaser to pay interest at the rate of 3½ per centum per annum upon all unpaid portions of the purchase price from the date of the delivery of the vessel to the purchaser under the charter agreement with credit on the purchase price for all charter-hire theretofore paid by the purchaser on account of such charter. If the option to purchase is exercised, the deferred payments of the purchase price shall not be extended beyond the life of the vessel computed on a twenty-year expectancy."

Sec. 31. Section 802 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 802. Every contract executed by the Commission under authority of title V of this Act shall provide that—

"In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the fair actual value thereof, but in no event shall such payment exceed the actual depreciated construction cost there (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national-defense features) less the depreciated amount of construction-differential subsidy theretofore paid incident to the construction or reconditioning of such vessel or vessels, or the fair and reasonable scrap value of such vessel as determined by the Commission, whichever is the greater. Such determination shall be final. In computing the depreciated value of such vessel, depreciation shall be computed on each vessel on the schedule adopted by the Bureau of Internal Revenue for income-tax purposes.

"The foregoing provision respecting the requisition or the acquisition of ownership by the United States shall run with the title to such vessel or vessels and be binding on all owners thereof."

Sec. 32. Section 803 of the Merchant Marine Act, 1936, is hereby amended by striking out the provisos, and inserting in lieu thereof the following: "except that the Commission, by a vote of four members (except as provided in section 201 (a)) may grant an exemption in writing from the provisions of this section, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where—

"(a) The Commission finds that the enforcement of such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, and that such exemption will promote economy or efficiency of service by the merchant marine; and

"(b) The person performing the services or supplying the facilities agrees to account for and pay over to the contractor any and all profits resulting from performing such services or supplying such facilities."

Sec. 33. The proviso in section 804 of the Merchant Marine Act, 1936, is amended to read as follows: "Provided, however, That under special circumstances and for good cause shown the Commission may, in its discretion, waive the provisions of this section as to any contractor, for a specific period of time, by affirmative vote of four of its members, except as otherwise provided in subsection 201 (a)".

Sec. 34. Section 805 (b) of the Merchant Marine Act, 1936, is hereby amended by inserting a period after the word "contractor" at the end thereof.

Sec. 35. Section 805 (c) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(c) No director, officer, or employee (which terms shall be construed in the broadest sense to include, but not to be limited to, managing trustee or other administrative agent) shall receive from any contractor, holding a contract authorized by title VI or title VII of this Act, and its affiliate, subsidiary, associate, directly or indirectly, wages, salary, allowances, or compensation in any form for personal services which will result in such person's receiving a total compensation for his personal services from such sources exceeding in amount or value \$25,000 per annum, and no such person or concern shall be qualified to receive or thereafter to hold any contract under this part if such person or concern, its subsidiary, affiliate, or associate, pays or causes to be paid, directly or indirectly, wages, salary, allowances, or compensation in any form for personal services which result in such person's receiving a total compensation for his personal services from such sources exceeding in amount or value \$25,000 per annum, except that the Commission, by a vote of four members (except as provided in section 201 (a)) may grant an exemption in writing from the provisions of this subsection, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where the Commission finds that such exemption is justified by reason of the character or extent of shipping operations conducted by the contractor, and that the enforcement of any such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, or that such exemption will promote economy or efficiency of service."

Sec. 36. The last sentence of section 805 (d) of the Merchant Marine Act, 1936, is hereby amended to read as follows: "No contractor shall receive an

operating-differential subsidy for the operation of any chartered vessel save and except during a period of actual emergency determined by the Commission, or except as provided in section 708."

Sec. 37. Section 807 of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"Sec. 807. It shall be unlawful for any person employed or retained by any shipbuilder or ship operator holding or applying for a contract under the provisions of this Act, or employed or retained by any subsidiary, affiliate, associate, or holding company of such shipbuilder or ship operator, to present, advocate, or oppose any matter within the scope of the Shipping Act, 1916, as amended; the Merchant Marine Act, 1920, as amended; the Merchant Marine Act, 1928, as amended; the Intercoastal Shipping Act, 1933; or this Act, before the Congress or any committee thereof, or before the Commission, unless such shipbuilder or ship operator shall have previously filed with the Commission in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the subject matter in respect of which such person is retained or employed, the nature and character of such retainer or employment, and the amount of compensation received or to be received by such person, directly or indirectly, in connection therewith. It shall be the duty of every such person so employed or retained to file with the Commission within thirty days after the close of each calendar month during such retainer or employment, in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the expenses incurred and the compensation received by such person during such month in connection with such retainer or employment. Whoever shall violate this provision shall be guilty of a misdemeanor."

Sec. 38. Section 810 of the Merchant Marine Act, 1936, is hereby repealed.

Sec. 39. Section 903 (a) of the Merchant Marine Act, 1936, is hereby amended to read as follows:

"(a) The words 'foreign commerce' or 'foreign trade' mean commerce or trade between the United States, its Territories or possessions, or the District of Columbia and a foreign country."

Sec. 40. The Merchant Marine Act, 1936, is hereby amended by striking out the words "construction subsidy" wherever they appear in said Act and inserting in lieu thereof the words "construction-differential subsidy".

Sec. 41. The Merchant Marine Act, 1936, is hereby amended by striking out the words "operating subsidy" wherever they occur in said Act and inserting in lieu thereof the words "operating-differential subsidy".

Sec. 42. Section 9 of the Shipping Act, 1916, is hereby amended by striking out paragraphs 3 and 4 and inserting in lieu thereof the following:

"Except as provided in section 611 of the Merchant Marine Act, 1936, as amended, it shall be unlawful, without the approval of the United States Maritime Commission, to sell, mortgage, lease, charter, deliver, or in any manner transfer, or agree to sell, mortgage, lease, charter, deliver, or in any manner transfer, to any person not a citizen of the United States, or transfer or place under foreign registry or flag, any vessel or any interest therein (1) owned in whole or in part by any person a citizen of the United States, or (2) any vessel documented under the laws of the United States.

"Any vessel, or any interest therein chartered, sold, transferred, or mortgaged to a person not a citizen of the United States or placed under a foreign registry or flag, or operated in violation of any provision of this section, shall be forfeited to the United States, and whoever violates any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than \$5,000 or to imprisonment for not more than five years, or both."

Sec. 43. The Intercoastal Shipping Act, 1933, is hereby amended by adding two new sections to be numbered "Sec. 4" and "Sec. 5", to read as follows:

"Sec. 4. Whenever the Commission finds that any rate, fare, charge, classification, tariff, regulation, or practice demanded, charged, collected, or observed by any carrier subject to the provisions of this Act is unjust or unreasonable, it may determine, prescribe, and order enforced a just and reasonable maximum or minimum, or maximum and minimum rate, fare, or charge, or a just and reasonable classification, tariff, regulation, or practice."

"Sec. 5. The provisions of this Act are extended and shall apply to every common carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916."

The Intercoastal Shipping Act, 1933, is further amended by striking out the words "Sec. 4" and inserting in lieu thereof the words "Sec. 6."

Section 5 of said Intercoastal Shipping Act, 1933, is amended to read as follows:

"Sec. 7. That the provisions of the Shipping Act, 1916, as amended, shall in all respects, except as amended by this Act, continue to be applicable to every carrier subject to the provisions of this Act."

The Intercoastal Shipping Act, 1933, is further amended by striking out the words "Sec. 6" and inserting in lieu thereof the words "Sec. 8."

Sec. 44. The Merchant Marine Act, 1936, is hereby amended by adding a new section at the end of title II thereof, to be known as section 216 and to read as follows:

"Sec. 216. (a) The Commission is hereby authorized and directed to establish a system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the Commission may deem necessary to effectuate the purposes of this section.

"(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service which shall consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. The ranks, grades, and ratings for the personnel of the Maritime Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Commission is authorized and directed to determine the number of persons to be enrolled in the Maritime Service, to fix the rates of pay of such persons, and to prescribe such courses and periods of training as, in its discretion, is necessary to maintain a trained and efficient merchant-marine personnel.

"(c) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section."

Sec. 45. The Merchant Marine Act, 1936, is hereby amended by adding a new title to be known as title X and to read as follows:

TITLE X

"Sec. 1001. For the purposes of this title—

"(a) The term 'maritime employer' means any person not included in the term 'carrier' in title I of the Railway Labor Act who (1) is engaged in the transportation by water of passengers or property between the United States or any of its districts, Territories, or possessions and a foreign country, or engaged in the transportation by water of passengers or property on the high seas or the Great Lakes from one State, Territory, district, or possession of the United States to any other State, Territory, district, or possession of the United States; (2) is engaged in towboat, barge, or lighterage service in connection with the transportation by water of passengers or property as set forth in clause (1) hereof; (3) operates or manages or controls the operation or management of any wharf or pier or any dock or any water space for the accommodation of vessels engaged in the transportation by water of passengers or property as set forth in clause (1) hereof; (4) is engaged in the business of loading or unloading vessels engaged in the transportation by water of passengers or property as set forth in clause (1) hereof; or (5) operates any equipment or facilities directly connected with the services set forth in clauses (1), (2), (3), and (4) hereof. The United States Maritime Commission is hereby authorized and directed, upon request of the Mediation Board, to determine, after investigation, whether any employer is a maritime employer within the meaning of this subsection.

"(b) The term 'employee' means any person who performs any work as an employee or subordinate official of any maritime employer subject to its authority to supervise and direct the manner of rendition of service when the duties assigned to or services rendered by such employee directly or indirectly, in any manner, affect, relate to, or are concerned with the transportation by water of passengers or property as set forth in clause (1) of subsection (a) of this section; or the furnishing of equipment and facilities therefor or services thereto as set forth in clauses (2), (3), (4), and (5) of subsection (a) of this section; it being intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement of passengers and property in the interstate and foreign com-

merce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption. The provisions of this title shall not apply to the master or members of the crew of any vessel not documented, registered, licensed, or enrolled under the laws of the United States. The United States Maritime Commission is hereby authorized and directed, upon request of the Mediation Board, to determine, after investigation, whether any person is an employee within the meaning of this subsection.

"(c) The term 'Railway Labor Act' means the Railway Labor Act, approved May 20, 1926, as amended.

"(d) The term 'Mediation Board' means the National Mediation Board created by the Railway Labor Act.

"Sec. 1002. All provisions of title I of the Railway Labor Act with the exception of the provisions of section 2, paragraphs fourth, fifth, and ninth; section 3; and section 10 are extended to and shall cover every maritime employer and every employee of such maritime employer as they are defined in section 1102 hereof, in the same manner and to the same extent as though such maritime employers and their employees were specifically included within the definition of 'carrier' and 'employee' in section 1 thereof.

"Sec. 1003. If any dispute shall arise among the employees of a maritime employer as to who are the representatives of such employees designated and authorized to act for them for the purposes of this title, it shall be the duty of the National Labor Relations Board, upon request of any party to the dispute, or the maritime employer, promptly to determine, in the same manner as provided in the National Labor Relations Act for the selection of representatives for the purposes of collective bargaining, and to certify to the parties and to the maritime employer in writing, the name or names of the individuals or organizations that have been designated and authorized to represent the employees involved in the dispute. Upon receipt of such certification the maritime employer shall treat with the representatives so certified as the representatives of such employees.

"Sec. 1004. Disputes between a maritime employer or group of maritime employers and any of its or their employees growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, shall be handled in compliance with the provisions of any agreement relating to the settlement of such disputes or in the usual manner up to and including the chief operating officer of the maritime employer designated to handle such disputes; but, failing to reach an adjustment in either manner, the disputes may be referred by petition of the parties or by either party to an appropriate adjustment board, as hereinafter provided, with a full statement of the facts and supporting data bearing upon the disputes.

"It shall be the duty of every maritime employer and of its employees, acting through their representatives, to establish a board of adjustment with jurisdiction not exceeding the jurisdiction which may be lawfully exercised by system, group, or regional boards of adjustment, under the authority of section 3, title I, of the Railway Labor Act.

"Sec. 1005. When, in the judgment of the Mediation Board, it shall be necessary to have a permanent national board of adjustment in order to provide for the prompt and orderly settlement of disputes between said maritime employers, or any of them, and its or their employees growing out of grievances, or out of the interpretation or application of agreements covering rates of pay, rules, or working conditions, the Mediation Board is hereby empowered and directed to establish a National Maritime Adjustment Board. Such Board shall be composed of such number of persons as the Mediation Board may determine, and its members shall be selected in the manner and by the procedure prescribed by section 3 of title I of the Railway Labor Act for the selection and designation of members of the National Railroad Adjustment Board. The National Maritime Adjustment Board shall meet within forty days after the date of the order of the Mediation Board directing the selection and designation of its members and shall organize and adopt rules for conducting its proceedings, in the manner prescribed in section 3 of title I of the Railway Labor Act. Vacancies in membership or office shall be filled; members shall be appointed in case of failure of the maritime employers or of labor organizations of the employees to select and designate representatives; members of the National Maritime Adjustment Board shall be compensated; hearings shall be

held; findings and awards made, stated, served, and enforced; and the number and compensation of any necessary assistants shall be determined and the compensation of such employees shall be paid, all in the same manner and to the same extent as provided with reference to the National Railroad Adjustment Board by section 3 of title I of the Railway Labor Act. The powers and duties prescribed and established by the provisions of section 3 of title I of the said Act with reference to the National Railroad Adjustment Board and the several divisions thereof are hereby conferred upon and shall be exercised and performed in like manner and to the same extent by the National Maritime Adjustment Board with respect to maritime employers and their employees. From and after the organization of the National Maritime Adjustment Board, if any board of adjustment established by any maritime employer or maritime employers and any class or classes of its or their employees is not satisfactory to either party thereto, the said party, upon ninety days' notice to the other party, may elect to come under the jurisdiction of the National Maritime Adjustment Board.

"SEC. 1006. If a dispute between a maritime employer or employers and its or their employees is not adjusted under the provisions of this title, and if in the judgment of the Mediation Board such failure to adjust the dispute shall threaten substantially to interrupt the flow of domestic and foreign water-borne commerce to the detriment of the public interest or to deprive any section of the country of an essential water-borne transportation service, the Mediation Board shall immediately notify the United States Maritime Commission of such failure to adjust the dispute. The Maritime Commission may thereupon, in its discretion, create a board to investigate and report respecting such dispute. Such board shall be composed of such number of persons as to the Maritime Commission may seem desirable: *Provided, however,* That no member appointed shall be peculiarly or otherwise interested in any organization of employees or any maritime employer. The compensation of the members of any such board shall be fixed by the Maritime Commission. Such board shall be created separately in each instance and it shall investigate promptly the facts as to the dispute and make a report thereon to the Maritime Commission within thirty days from the date of its creation.

"There is hereby authorized to be appropriated such sums as may be necessary for the expenses of such board, including the compensation and the necessary traveling expenses and expenses actually incurred for subsistence, of the members of the board. All expenditures of the board shall be allowed and paid by the Maritime Commission on the presentation of itemized vouchers therefor approved by the chairman of such board.

"After the creation of such board and for thirty days after such board has made its report to the Maritime Commission, no change, except by agreement of the parties, shall be made by the parties to the controversy in the conditions out of which the dispute arose.

"SEC. 1007. Except as provided in this title with respect to maritime employers and their employees, nothing herein shall be construed to repeal or amend any provision of the National Labor Relations Act or to restrict the powers and duties conferred upon the National Labor Relations Board by said Act.

"SEC. 1008. If any provision of this title or application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provisions to other persons or circumstances shall not be affected thereby.

"SEC. 1009. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Mediation Board in carrying out the provisions of this title."

The CHAIRMAN. This bill was written to carry out the recommendations of the Maritime Commission. After the experience of this Commission, it was found that certain changes seemed desirable, from the original act. So we are here to consider the proposed amendments.

Mr. Kennedy, we welcome you. This is your first appearance before our committee in an official way, and we are very happy to have you and your colleagues here.

Mr. KENNEDY. Thank you, sir.

The CHAIRMAN. And we shall be pleased if you will proceed in your own way. I assume, of course, that you would like to go forward without interruption until you have made your original statement. Am I right?

Mr. KENNEDY. I should like very much to do so, sir.

The CHAIRMAN. All right, then; please proceed.

STATEMENT OF JOSEPH P. KENNEDY, CHAIRMAN OF THE UNITED STATES MARITIME COMMISSION

Mr. KENNEDY. Mr. Chairman and members of the committee, I am glad to appear here this morning to discuss with the committee the provisions of Senate bill 3078. But before going into the provisions of the proposed bill, some general observations on the subject of shipping legislation should be made.

The shipping legislation of the United States would fill a library.

The American colonies began to enact shipping laws almost as soon as they were established. The adoption of the Federal Constitution is said to have been inspired largely by the necessity for concerted action on the part of the separate States for the protection of their commerce. The first statute passed by the First Congress of the United States was the Tariff Act of July 4, 1789, which contained discriminatory provisions in behalf of American vessels. From the adoption of the Federal Constitution in 1789 to 1830 no less than 50 legislative acts affecting ocean shipping were passed. We have been grinding out additional legislation ever since.

It is only with extreme reluctance that I come before these committees with any suggestions for expanding the enormous volume of material already submitted to the Congress with regard to the American merchant marine.

Legislation affecting the American merchant marine of today may be said to have begun with the Panama Canal Act of August 24, 1912, which admitted to American registry, for operation in foreign trade, vessels not over 5 years old. On August 18, 1914, this act was amended to admit foreign-built vessels regardless of age.

The unfortunate conditions brought about by the World War, when many foreign vessels were withdrawn from our trade resulted in the Shipping Act of September 7, 1916. This act created the United States Shipping Board and gave it authority to form corporations for the acquisition and operation of merchant vessels with a capital stock not to exceed \$50,000,000.

The United States entered the war before the objectives of the 1916 act could be accomplished. Emergency legislation was enacted to extend the authority of the Shipping Board and its subsidiary, the Emergency Fleet Corporation, which was incorporated under the act and under whose supervision was constructed the wartime fleet of merchant vessels. On October 6, 1917, Congress passed an act admitting foreign vessels to our coastwise trade for the duration of the war and for 120 days thereafter.

The first important shipping legislation after the war was that of June 5, 1920, which authorized the Shipping Board to establish and maintain domestic-flag services in the foreign trade of the United States. This act also created a revolving construction loan fund of

AMEND MERCHANT MARINE ACT OF 1936

25,000,000 and contained certain provisions for the admission of reig-n-built vessels to the coastwise trade.

The policy of the 1920 act was reaffirmed in the Merchant Marine Act of May 22, 1928, which increased the construction loan fund to 50,000,000 and established rates of payment for the carriage of mails, based on the size and speed of vessels and the length of their outward voyages. This pay was, of course, merely a disguised subsidy. It was designed in each instance to overcome the higher cost of constructing vessels in American yards and operating them under the American flag.

Members of these committees, and of the Congress, are familiar with the unfortunate story of the 1928 act. A total of \$176,000,000 was paid out under the various mail contracts. In addition, construction loans were granted at rates of interest ranging down to one-eighth of 1 percent. It should be admitted that these expenditures preserved the so-called mail-contract lines during an abnormal period when many of them would otherwise have been forced into bankruptcy. It must also be admitted, however, that the act failed to achieve its principal objective—the development of an orderly placement program for the war-built vessels constituting the bulk of our foreign-going fleet.

Recognizing the weaknesses of the 1928 act, and the necessity for a new approach to the problem, Congress passed, on June 29, 1936, the Merchant Marine Act of 1936. The act took effect on October 1, 1936, 30 days after the appointment of the Maritime Commission. The Commission was set up on a temporary basis, with three members, and so functioned until April 16, 1937, when the present Commission took office.

The act, therefore, has been in actual operation for less than 8 months. It may be said that we have not had sufficient experience with the act to determine whether or not it is workable in its present form. This view is, as a matter of fact, held by one member of the Commission. The other Commissioners, however, feel that the experience of the past 8 months indicates the necessity for changes in certain details if the objectives of the act are to be attained.

In suggesting modification of the 1936 act, the Commission does not wish to be placed in the role of a petitioner. Nor can the Commission promise to solve the shipping problem if the changes here suggested are made. The Commission is merely indicating alterations which, in its opinion, would make the aims of the act more likely of attainment. Only experience can demonstrate whether or not revised legislation will enable us to achieve the objectives which the Congress had in mind.

In an effort to determine the seriousness of the industry's ailments, and to evolve a possible remedy, the Commission recently made an exhaustive study of the shipping problem. The conclusions have been referred to these committees and I assume will be part of the record. The survey painted a rather bleak outlook for the future of our vessels in foreign trade. It disclosed subsidized shipping as a very sick industry.

The subsidized merchant marine consists, at the moment, of 155 vessels, aggregating 1,011,000 gross tons. These vessels are spread over 17 lines. In addition, applications for subsidies may be filed

for 24 additional vessels of 277,000 gross tons. It is with these 179 vessels that the Merchant Marine Act is primarily concerned.

The financial condition of the subsidized lines is, generally speaking, depressing. While some of the lines appear to be in good shape, the condition of others is dubious. Some apparently have little chance of survival. The Commission has just denied the application of the Baltimore Mail Line for a permanent subsidy to replace the temporary subsidy now being paid.

The outstanding weakness of American shipping, in all categories, is its high degree of obsolescence. This is especially true of the subsidized fleet, 85 percent of which will become 20 years old within the next 5 years. The majority of vessels in this fleet were built during the war period. They will obsolesce practically as a unit. Someone must replace these vessels. With the amendments contained in this bill, we hope to enable the private operators to carry a substantial portion of this burden. The only alternative is construction for Government account. The greatest stumbling block to private construction at this time is the hesitancy of private capital with regard to shipping.

Before going into the proposed amendments, I desire to discuss briefly reasons why the United States needs a merchant marine. The principal reasons, of course, are commerce and defense. Were the world organized on a basis of perpetual peace, we might be justified in entrusting our goods to those who could carry them at the lowest rates. Unfortunately the world is not at peace, and a merchant marine of some proportions is a necessary precaution against the disruption of our trade through the withdrawal of foreign carriers. The Commission's survey found little to substantiate the claim that American vessels reduce rates or prevent discrimination. The survey did find, however, that American vessels in a trade tend to improve the service given to our goods, and that, in the final analysis, we have no other insurance against a repetition of the situation confronting us in the early part of the World War.

It must also be pointed out that the United States is maintaining, as a defense measure, one of the largest navies in existence. That Navy would be greatly handicapped without a plentiful supply of efficient, modern merchant vessels.

The policy of the United States with regard to shipping should be, we believe, to maintain the smallest merchant fleet consonant with the needs of commerce and defense. We are now carrying about 35 percent of the cargo entering and leaving our shores. Subsidized vessels carry slightly less than half of this cargo, or 16.6 percent. It would not seem to be the part of wisdom to entrust to foreign vessels any more of our goods than they now carry.

These general facts were recognized by Congress in 1936 and were written into the Merchant Marine Act, 1936, which states, in section 101 [reading]:

It is necessary for the national defense and development of its foreign and domestic commerce that the United States shall have a merchant marine (a) sufficient to carry its domestic water borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States flag by citizens

of the United States insofar as may be practicable, and (d) composed of the best equipped, safest, and most suitable types of vessels constructed in the United States and manned with a trained and efficient citizen personnel. * * *

The Commission is in thorough accord with this declaration of policy. It has been forced to conclude, however, that these objectives are more likely to be achieved if certain changes are made in the present law.

The amendments recommended do not alter the basic philosophy of the act. The Commission is suggesting only such changes as are believed to be necessary to accomplish the purposes for which the act was passed. A few of the proposed amendments contained in the bill, S. 3078, are of major importance. It is these amendments which I shall undertake to discuss first.

The present law indicates that the Congress desired to preserve private ownership "insofar as practicable." The act also recognizes that the cost to the taxpayer is not to be regarded as a gratuity, but as an investment by the Government to assure the flow of its domestic and foreign water-borne commerce and the immediate availability to the Nation of an auxiliary fleet in time of trouble. However, without a successful program of ship construction, we cannot hope to have an adequate merchant marine. Of fundamental importance, therefore, is the suggestion of the Commission that the requirement of a down payment of 25 percent of the domestic construction cost be changed to 25 percent of the foreign cost. This modification is necessary if we are to get any building. Practically none of the companies is in a financial condition to meet the present requirement. Unless the down payment is reduced, there is little likelihood that the private operators will be able to build the vessels necessary for the replacement of the subsidized fleet.

The philosophy of the Merchant Marine Act, 1936, is to place American steamship operators upon a parity with their foreign competitors. In this respect the act operates unrealistically. Foreign operators can obtain new vessels in foreign yards with down payments of not more than 25 percent of the construction cost; in many cases the initial payment required is not more than 10 percent. Therefore the American flag operator, at the very beginning, is placed under a handicap not suffered by his foreign competitor, and which, in almost every case, he is unable to meet.

The requirement of an initial payment of 25 percent of the cost of the vessel to the operator is more nearly in line with the usual commercial practice with respect to purchases of both rail and truck transportation equipment.

I have no hesitancy in asserting to these committees that if any substantial portion of the subsidized fleet is to be replaced under private ownership, the requirements of the law with respect to the down payment will have to be changed.

The amendments to title VI of the act relate, for the most part, to financial provisions of the law. They are designed to improve the condition of the subsidized lines and to encourage the investment of private funds in the steamship business. Every reasonable effort should be made to attract private capital—not only the capital of those who are under some pressure to protect investments already made in shipping, but also new capital from the public. Unless we

induce new capital to come into the shipping business, ship construction by private companies will be unimpressive.

Section 606 (5) of the law now provides that if the operator's profits exceed 10 percent a year over a 5-year period, one-half of the excess is to be recaptured by the Government. Under the proposed amendment this would be changed to a 10-year period. This recommendation is based on the belief that a 10-year period is likely to cover the average business cycle in the steamship business, whereas a 5-year period may fall entirely within a period of slump or prosperity. For example, if the 5-year recapture provisions had been made effective in 1925, the amount of recapture would have been determined by the boom-time earnings of the period from 1925 to 1930. On the other hand, the succeeding 5-year period would have coincided with depression conditions existing in this business from 1930 through 1934. As a result, the Government might have recaptured profits earned during the first period which, in accordance with sound business practice, should have been conserved to provide for disastrous losses incurred in the ensuing depression. A 10-year recapture period would have accomplished this result.

A study of the financial history of the steamship business indicates that such incidents are characteristic of the industry. Profits, while large in some instances, and in others enormous, during prosperous periods, are usually counterbalanced by equally large or enormous losses in depression years. The proposed amendment recognizes this fact and adapts the recapture provisions to the cyclical nature of the industry.

Two new subsections are proposed for section 607 of the act. The first provision, subsection (f), is clarifying in nature and merely makes definite what we now believe to be the law, that upon the termination of any subsidy contract the reserve funds belong to the operator, except as otherwise provided in the subsidy agreement. The elimination of doubt on this point may encourage new investment in the industry.

The second provision, subsection (g), permits the operator to increase his capital or special reserve funds by depositing therein any part of the net earnings available for distribution. This is believed to be an important provision. The act now contemplates that profits up to 10 percent a year will be distributed to shareholders. In a very few cases, where the operator's working capital is adequate, such a policy may be sound. But in most instances this would not be the case in view of the urgent need for additional working capital and the inability to secure outside capital investment at this time. Consequently, most operators will have to look to earnings for replacement funds. This makes a conservative dividend policy necessary. The suggested provision encourages such a policy by permitting operators to deposit all or any part of the first 10 percent of profits in the capital reserve fund, where they could be used to finance replacements. An inducement for this policy is found in the fact that the moneys deposited in the capital reserve fund automatically escape undistributed profits and other taxes.

Section 607 (f) of the act is renumbered 607 (h), and is further clarified by the addition of a provision to the effect that earnings withdrawn from the special reserve fund shall be taxable as if earned during the year of withdrawal rather than the year when earned.

This provision will bring the act into harmony on this point and will eliminate a potential tax hazard.

The amendments also provide for the addition of a new section, to be numbered 611 (a), which is intended to protect the operator against arbitrary cancelation of his contract or default thereunder. The enactment of this provision is believed to be of paramount importance. In view of the history of merchant marine legislation in this country, there is today a lack of confidence in the stability of the Government's shipping policy. Congress might at some future time completely change its policy, refuse to appropriate moneys for subsidy payments, or even cancel the contracts in favor of some new system, thereby making the subsidy contracts worthless.

Under these circumstances, operators and investors are reluctant to risk large sums of money in construction of new vessels when the Government could at any time discontinue their operating subsidy and leave them to compete with low-cost foreign lines under impossible conditions.

We believe that the suggested legislation will afford all of the protection necessary to the industry in this respect and at the same time allow the Government complete freedom of action as to future policy. This is accomplished by the simple expedient of giving the operator permission to transfer his vessels to foreign registry if his contract is canceled without just cause or if the Government fails to perform, by reason of a change in policy or otherwise, unless such failure is cured within a specified period after it has been established and determined by judicial action. Such transfer is to be permitted only upon payment of all indebtedness to the Government.

This will protect the investor against the danger that at some future time he may be forced to compete against low-cost foreign competitors without Government aid. At the same time, it does not tie the hands of the Government, nor does it obligate us to pay any damages. It merely assures the operator that the Government will deal fairly with him in case of a future change of policy.

Other amendments which the Commission deems of importance relate to the dealings of a contractor with affiliate or associate companies, and to the salaries of officers and employees of the contractor. The Commission, as the law now stands, is given discretion to permit a contractor to utilize the services of a wholly owned subsidiary company, provided the profits of such subsidiary shall become a part of the earnings of the contractor and be accounted for in the recapture provisions. Based upon its experience so far in administering the act, and upon its business judgment, the Commission believes that in many cases it would be in the public interest to grant the same permission where a contractor owns less than the whole of any concern supplying the services mentioned in section 803—provided, of course, that such concern agrees to pay over to the operator any profits resulting from the performance of such services. On the other hand, the Commission is of the opinion that the discretion to make blanket waivers is not necessary. The proposed amendment to this section of the act will provide appropriate standards for the guidance of the Commission in granting the exemption, and, since it may be granted only upon the affirmative vote of four members of the Commission, it would seem that the interest of the Government is properly safeguarded.

The same general situation exists with respect to the provisions limiting the salaries of officers and employees of the contractor. Under the present act, such officers and employees may not receive more than \$25,000 per year from a contractor. There are cases where, because of the extent and character of shipping operations carried on by the contractor, it is difficult to obtain the best executives at this salary. I should like to point out that other industries are under no such handicap. The shipping industry, as long as this provision remains unchanged, is not in a position to compete for the services of qualified executives. Since good management by qualified executives is essential to the success of any business, the Commission believes that the average investor would feel better satisfied with his company in the hands of a business leader whose services might not be obtainable for \$25,000 a year. Likewise, the taxpayer's interest is safeguarded by competent management. The present provision does not really protect the Government or the investor, if that was its purpose, because it is possible to employ any number of officials at \$25,000 per year, all of whom might not be necessary to the efficient operation of the company and some of whom might be utterly incapable. The proposed amendment to section 805 (c) will, we believe, provide sufficient safeguard to accomplish the intent of Congress.

Construction costs, and amendment to permit building abroad:

The provisions of the act (title V) are designed to make possible the construction of vessels in domestic yards at the same cost to the operator as if he built his ship in a foreign yard. Under certain circumstances, however, these provisions may fail to accomplish their purpose. There is a specific prohibition against granting a construction-differential subsidy of more than 50 percent of the domestic cost. Consequently, whenever foreign shipyard costs are less than half of American costs the construction-differential will be insufficient to place the American operator on a parity with his foreign competitor with respect to capital costs. It will then be cheaper to build abroad even after making allowance for the maximum construction subsidies provided by the act.

When this situation arises, there can be no new construction under the present act, because the Commission cannot pay the actual difference between domestic and foreign costs, and because the vessel is not eligible for an operating-differential subsidy if built abroad. This is a very important problem and one for which some solution must be found.

One solution would be the granting of construction-differential subsidies to whatever extent might be necessary to achieve parity. The wisdom of this procedure is doubtful, however. It would increase the burden to the National Treasury and to the taxpayer; it would grant a tariff protection of over 100 percent; it would continue the existing virtual embargo on foreign-built vessels, thereby eliminating entirely any influence of international competition upon American costs.

A less expensive and more desirable manner of meeting this problem was the one suggested in the Commission's recent economic survey; that is, to permit construction abroad in any case in which the foreign costs are less than half the American costs, registry here being required as soon as practicable, and the ship so built and registered being eligible for an operating-differential subsidy as if built here.

The Government would not be required to pay out cash in either a loan or construction subsidy. The only payments would be those for national-defense features. Domestic shipping would be protected from the competition of a vessel so built and registered to the full extent that it is protected from the competition of vessels receiving construction-differential subsidies.

It is, of course, for the Congress to determine which of these solutions, if not some other solution, should be adopted. The plan suggested in the economic survey impresses me as being reasonable and in accord with sound national policy. It would provide a basis for the growth and maintenance of the merchant marine in times of high domestic shipyard prices without placing the burden of paying larger subsidies upon the National Treasury.

The question immediately arises as to whether it is good policy to permit the building abroad of vessels destined for our subsidized fleet, thereby depriving domestic yards and domestic labor of construction work. The answer is clear. The suggestion provides only for the building in foreign yards of vessels which would not otherwise be built for the subsidized fleet. Thus labor loses nothing with respect to such construction and is benefited to the extent that it is employed to operate a vessel which would not be in existence except for the fact that it was built abroad.

There are only four domestic yards equipped to construct a vessel of the MC design, to be built for the United States Lines Co. as a companion ship to the *Manhattan* and *Washington*. Bids were received from three of these. Only the bid which was accepted—submitted by the Newport News Shipbuilding & Dry Dock Co.—was low enough to make possible the construction of the vessel. The Commission determined that the estimated foreign cost of constructing a like vessel, excluding items not furnished by the shipyard, was \$10,500,000. The fixed price bids of the two bidders whose bids were rejected were \$21,308,000 and \$21,947,000, being in each case more than 100 percent above the estimated foreign cost. Thus the MC design vessel could not have been built at the price quoted by either of these yards.

Furthermore, the American shipyards continue to enjoy a complete monopoly for all building for the domestic trade and for such of the Navy construction as was not done in navy yards. It must be remembered that the subsidized fleet now consists of only a million tons, as compared to 10,000,000 tons—vessels of all sizes—operated in the protected domestic trade.

In any event the domestic yards would retain, in addition to construction for the domestic trade and for the Navy, by far the major part of the construction for subsidized foreign operation. The yards would still be protected against foreign competition by a 50-percent differential on the basis of the American price, which may be regarded either in the nature of a 100-percent tariff or a preference similar to that provided by the "Buy American law" approved March 3, 1933 (47 Stat. 1520).

That law directs Government departments to purchase American products and gives such products a preference, in addition to any applicable tariff; but the law provides that foreign goods may be purchased for public use when the cost of American goods is determined to be unreasonable. According to the regulations of the Procurement

Division of the Treasury Department, pursuant to that law—circular letter No. 37 of June 20, 1934—American costs are held to be “unreasonable” on purchases which involve more than a few hundred dollars if the American price is more than 25 percent higher than the foreign cost. Under the Commission’s suggestion, the American price for a vessel would have to be 100 percent higher than the foreign price before the right to build foreign would become effective.

Practically no other American industry receives such protection. The average rate of duty collected on American imports was 42.8 percent in 1935. The trend has been downward since 1932, due to the upward movement of prices. It is at the moment believed to be somewhat less, perhaps about 40 percent. The tariff on repairs made abroad to American vessels, which was requested by the domestic yards, amounts to 50 percent. If 50 percent is sufficient for repairs, which are, after all, a form of construction, 100 percent should be very generous for construction.

The protection given to materials used in shipbuilding is but a fraction of that afforded to the completed product under the Commission’s proposal. Iron and steel products, which constitute the bulk of the material cost of a vessel, are given protection ranging from 10 percent to 37 percent, with the average lying between 20 percent and 25 percent. Electrical machinery is given 60 percent protection; steam engines get 15 percent, and internal-combustion engines receive 30 percent. Obviously, if the principal items which go into a ship require only 20 percent to 25 percent protection, 100 percent should be ample for the finished product, even allowing for a generous differential in the wages of yard workers. I see no reason why a 100-percent protection against international competition should not be ample for the builders and labor involved in this industry, especially when the industry also enjoys a monopoly of construction for the domestic trade.

For the reasons which I have just given, there appears to be no reason to believe that the maintenance and development of the domestic shipyards as effective units, capable of functioning as an important part of our defense machinery, should suffer from the adoption of this suggestion. On the contrary, the introduction of foreign competition might well result in an improvement of our domestic shipbuilding facilities. Should experience prove that the diversion of some shipbuilding to foreign yards under this suggestion—which should be minor and unusual—does in fact result in a material weakening of this vital part of our national-defense machinery, Congress can, of course, increase the protection accorded the domestic shipyards by raising the 50-percent construction differential limitation or adopting such other course as it may deem wise.

If this suggestion is adopted, it will be possible to invite bona fide foreign bids under conditions where the foreign bidder can feel that there is a reasonable prospect of getting some business. The plan thus brings other benefits which would not be achieved by authorizing an increase in the allowable construction-differential subsidy. It would have the effect of providing more competition in bidding for the construction of new ships by domestic as well as by foreign builders. The foreign competition would doubtless influence American bids, thus stimulating our own yards to higher standards of efficiency.

Furthermore, and this is a very important point, it would greatly

facilitate the administration of the construction subsidy provisions of the act, because the Commission would have actual foreign bids for use in estimating foreign costs.

As had been anticipated, considerable difficulty was encountered in connection with the vessel to be built for the United States Lines. In this case, it was found that there is actually under construction in the Netherlands a ship of remarkable similarity to the MC design. Still, it would clearly have been desirable to have had actual foreign bids on the specific plans on which the domestic yards were bidding, both for the purpose of establishing the differential and for the purpose of indicating the general price trend in the international market. Such data can be obtained only if it is made possible for an award to be made, under certain conditions, to a foreign bidder.

In connection with this question of excessive bids, it is suggested that it might be well to add a provision to the act enabling the Commission, in its discretion, to allow construction abroad in cases where the foreign cost is between 33 $\frac{1}{3}$ percent and 50 percent less than the American price, and the bids received from domestic yards are believed to be unreasonable, excessive, or collusive. Such vessels would likewise be entitled to registration and documentation under our flag and to operating-differential subsidies as previously suggested. The Commission recommends that section 502 (b) be amended accordingly.

Our proposal to build ships in the international market, under certain circumstances, is no new practice among maritime nations. It is no new practice in the United States. It is quite possible for an American citizen to go into the international tonnage market for equipment with which to compete in international trade, but under existing law we cannot grant him an operating subsidy on such equipment. We believe that, under conditions which I have already explained, and in the public interest, the subsidized operator should have the same privilege.

No maritime nation restricts its shipping industry solely to domestic-built vessels. All maritime nations seek, so far as possible, to restrict subsidized vessels to their national tonnage markets. But all such nations, except the United States, have provisions which authorize operators, under certain circumstances, to seek replacement for their subsidized fleets in the international tonnage market.

Aircraft: Congress directed the Commission, in section 211 (g) of the Merchant Marine Act, 1936, to determine what provisions of the act and other acts relating to shipping should be made applicable to aircraft engaged in foreign commerce. The Commission was also directed to recommend appropriate legislation.

The directions of Congress have been partially carried out by the Commission. A special report, prepared with expert assistance and after consultation with shippers, passengers, steamship and aircraft operators, and aircraft manufacturers, has already been prepared and furnished to the Members of Congress.

Overocean air transportation is at present important and potentially vital to the foreign trade of the United States. This is a field in which we now enjoy a tremendous advantage in experience, equipment, and personnel. This advantage, however, may be lost within a few years—if not a few months—for the speed of the industry's development is comparable only to the speed of the planes themselves.

This country, by its failure to realize the importance of steam and steel, brought about the decline of a once-powerful merchant marine. We should not abandon our leadership in air commerce by failing to make proper provision for Government support of overocean flying.

The question presented is not whether overocean flying should be subsidized, for it is subsidized now. A substantial portion of payments for the transportation of domestic air mail represents a subsidy to domestic air carriers. A computation based upon the cost ascertainment report of the Post Office Department shows that the rate per pound-mile paid for the transportation of foreign air mail actually carried, is 11.6 times as much as the average rate for domestic air mail for 1936; it is more than 20 times as much as the average rate paid the three transcontinental domestic lines—American Airlines, Inc., United Air Lines Transport Corporation, and Transcontinental & Western Air, Inc.—during the first 6 months of 1937. It appears, therefore, that a substantial subsidy is now being paid for the development of over-ocean flying. If any subsidy is to be paid, it should not be through what has been referred to by Congress and by the President as a “subterfuge.”

It goes without saying that the factors which determine the essentiality of ocean transport services are the same factors which should also determine the essentiality of foreign air-transport services, for both services must draw their principal support from traffic. It is apparent, moreover, that the well-developed foreign-trade service of the future will be an integrated air-water service, fast passenger traffic and express traveling by air and slow passenger traffic and heavy cargo traveling by water over substantially the same routes. Such an integrated service would, in the opinion of the Commission, be superior to and far less costly than the superliner services with which other nations have sought to meet the need for increased speed in transoceanic transport.

While the Commission does not desire to add to its already pressing problems, it is forced to conclude that the development of transoceanic transport—with which development the Commission is already charged by Congress—logically includes the development of air transport as well as transportation by water. It follows that the development of both forms of overseas transportation should be vested in the same agency. Congress, of course, must determine the agency to which it wishes to entrust this task.

The objections to a mail subsidy to the merchant marine, which were so obvious as to cause Congress to abandon the ocean-mail contract system, apply with equal force to air transport. The mistakes which were made, and the resulting chaotic condition of the American merchant marine, can be prevented with respect to foreign air transport by providing for its proper administration now. A representative of the Post Office Department told these committees, when the Merchant Marine Act, 1936, was being framed, that: “The question of a United States merchant marine is a question that is way beyond the province of the Post Office Department. Our interest is primarily in the handling and the carriage of mails.” The statement is equally applicable to overocean transportation by air. There is, of course, no sound analogy between overseas flying and domestic air transport. The problems of overocean transport are those of foreign trade.

The Commission feels that it is the agency of Government which has been charged with the development of overseas transportation, and that it is equipped with the information and personnel necessary to accomplish this task. As air transport is of rapidly increasing importance to this development, the Commission believes that the Merchant Marine Act should be broadened to make aircraft engaged in overseas commerce eligible for the aid given to shipping in the present Merchant Marine Act.

The present need, of course, is not for construction-differential and operating-differential subsidies, but for assistance in the initial financing of aeronautical enterprises. The cost of such financing is heavy, but it is believed that it will pay dividends to the Government to assist at this time in the establishment of air trade routes which will benefit our commerce. It may be pointed out, too, that should foreign manufacturers turn from military aircraft to the production of commercial aircraft, the lower costs of labor prevailing in foreign countries may give rise to a construction differential which it would be necessary for this Government to meet.

If the Government is to take action in this field, it should do so immediately. England, Germany, and France are not only engaged in vigorous and extensive programs for the development of air trade routes, but these programs are tied in with shipping, particularly in the case of Germany and France. The most recent example of this is the new air line, almost 2,000 miles long, along the west coast of Africa from Dakar south, which was created and is being operated by the old Fabre Steamship Line, now called Chargeurs Re-Unis. It is entirely independent of the French national air line, Air France. For its air operations this steamship line ordered a fleet of American Sikorsky Clippers of the S-43 type. This is only one of many indications that unless this country enacts legislation to advance American interests in the foreign air transportation field, we will see it preempted by our foreign competitors.

In the event that this task is imposed by Congress upon the Commission, the Commission will, of course, apply the same rules of sound business and rigid economy which it applies to ocean-going shipping. The Commission does not wish to be regarded as presenting a request for the enlargement of its powers. It is merely reporting to Congress, as it was directed to do by the Merchant Marine Act; the Commission is recommending also, as directed by the act, the enactment of legislation applicable to aircraft engaged in overseas foreign commerce which, it is felt, will more effectively further the policy of the Merchant Marine Act of 1936.

Labor—mediation: Perhaps the most difficult problem with which the Commission is confronted is an unfortunate employer-employee relationship which has resulted in destructive disturbances in the shipping industry. Unless something can be done to stabilize those relationships, to reduce interunion friction, to increase the efficiency of crews and to restore order and discipline aboard our ships, all of the Government's efforts to develop a strong American merchant marine will be futile.

It need not be pointed out to these committees that the major part of all subsidies granted American shipowners is accounted for by the greater labor cost of operating ships under the American flag. Under the present temporary agreements, the Government is paying 43

percent of the total cost of wages and of crews' subsistence on subsidized vessels. Sixty-four percent of every operating-differential subsidy dollar now being paid goes directly to the seamen in the form of wages and subsistence. The public, therefore, has a vital interest in labor disputes. Congress might well consider whether it proposes to spend large sums in promoting an American merchant marine and to countenance, meanwhile, the continued disruption of shipping services by disputes.

The Commission believes that some definite step should be taken to stabilize the situation. Various possible courses of action are, of course, open for consideration. For example, we could go along as we are now. However, the jurisdiction of the National Labor Relations Board is not believed to be sufficiently extensive to meet all of the problems which arise. That board is primarily concerned with safeguarding the right of employees to organize and select their own representatives for the purpose of collective bargaining. If no further provision is made for the handling of labor disputes in the shipping industry, conditions will probably remain as chaotic as they are at the present time.

Another possibility would be to give the Maritime Commission jurisdiction over such problems. However, there are obvious objections to that procedure. The Maritime Commission is the agency through which subsidies are granted both for the construction of vessels and for their operation. The Commission is also engaged in the shipping industry as an owner of vessels and, therefore, as an employer of labor.

Another possibility is the use of the conciliation services of the Department of Labor. However, that service can function only when invited to do so when its services are acceptable to both parties. It thus appears to have definite limitations as an agency for the stabilization of labor disputes in this field.

A further possibility would be the establishment of an agency similar to the National Mediation Board, which has operated so successfully in the field of railway labor relations, or the granting of authority to the National Mediation Board to handle labor disputes for the maritime industry.

After examining these various possibilities the Maritime Commission believes that the most practical method of attempting to alleviate the unrest in the maritime industry is to provide for the application of the mediation principles of the Railway Labor Act. We believe that such action is desirable at this time. I should like to add, however, that this suggestion is not offered as the only possible solution for the problem; if any other plan is suggested it should receive the most careful consideration.

Perhaps the most significant thing about the Railway Labor Act is the policy which it lays down for the guidance of the railway managements and their employees. This policy as set forth in the act, is simple and to the point:

It shall be the duty of all carriers, their officers, agents, and employees to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes, whether arising out of the application of such agreements or otherwise, in order to avoid any interruption to commerce or to the operation of any carrier growing out of any dispute between the carrier and the employees thereof.

This policy, it will be seen, emphasizes the making and maintaining of agreements between labor and management to govern their relationship. It safeguards the right of employees and managements respectively to associate themselves together as they see fit—that is, without influence, interference, or coercion on the part of one over the other.

Inasmuch as the National Labor Relations Board has already been granted jurisdiction over questions growing out of unfair labor practices, freedom of association and representation for purposes of collective bargaining in the maritime industry, and has already begun to issue certificates of labor representation, it is felt that it would be unnecessary to grant similar jurisdiction to the National Mediation Board. If a dispute arises among the employees of a water carrier as to representatives, the services of the National Labor Relations Board may be invoked for the purpose of investigating the dispute and determining who should represent the employees. From that point forward, the principles of the Railway Labor Act, as amended, would appear to be well adapted for application to the shipping industry.

One very important feature of the act, in keeping with its basic purpose to further collective-bargaining agreements, calls for the serving of written notices, by one party on the other, of a desire to make a new agreement or to make changes in existing agreements. Such notices must be acknowledged within 10 days, and within 30 days conferences must begin for purposes of negotiating the new agreement or the proposed changes. This is an exceedingly important part of the procedure under the act, because it prevents the unreasonable delays about which the maritime unions are now complaining.

The act lays down three major steps to be followed in the process of making and maintaining agreements. The first is direct negotiation between duly accredited or certified representatives of the railroads. The conferees, while in negotiation, are required to make a serious and determined effort to adjust their differences; that is, to bargain collectively within the accepted meaning of that term.

If the issues in question cannot be adjusted by direct negotiation, either or both parties may invoke the services of the National Mediation Board. If necessary, the Board, of its own accord, may proffer its services. In any case, it is important to note that both sides are still bound to keep the peace.

The third important step in the making and maintenance of labor agreements involves arbitration. If direct negotiations do not result in an agreement, and mediation proves unsuccessful in whole or in part, both parties may agree to arbitrate their differences. Arbitration is not compulsory, but in the event the parties to the dispute do sign a voluntary contract to arbitrate the remaining issues, the resulting award is final and binding upon both for 1 year. All proceedings before an arbitration board are formal. Testimony is taken under oath, and the resulting awards are filed with the district court.

In the experience gained in administration of the Railway Labor Act, it has been discovered that the three steps outlined above result in a gradual narrowing down of the issues in dispute. Direct negotiations, if not entirely successful, tend to bring about agreement on at least some of the questions involved. When direct negotiations are

followed up by mediation, additional matters are disposed of. The result is that if arbitration is eventually resorted to after mediation, the issues usually become limited to the most highly controversial questions involved in the dispute. Thus, in a way, the procedure as outlined becomes in essence a process of elimination.

If it should happen that the National Mediation Board is unsuccessful in adjusting the matter at issue through mediation, or in bringing about arbitration, then both parties to the dispute are relieved of any obligations under the law.

However, if the action of either party threatens to deprive the country of an essential transportation service, a special fact-finding emergency board of impartial persons may be appointed. This board is required to investigate the dispute promptly and to report within 30 days. During such period, and for 30 days thereafter, the parties are forbidden to alter the status quo except by mutual agreement. The experience of the railroad industry reveals that the technique so employed—conferences, mediation, arbitration, and fact finding—is effective not only in eliminating the hasty action which begets strikes and unrest in an industry but also in bringing about mutually satisfactory agreements. Under the Railway Labor Act provision is made for the appointment of this fact-finding board by the President. A serious question arises, however, as to whether the President should be forced to assume the added responsibility of passing upon such questions in every case of labor trouble in the maritime industry. The principal reason for placing this responsibility on the President is that a board appointed by him carries with it, in the public mind, the influence of the Presidential office. If it is decided that the advantages to be derived from Presidential appointment of such a board are not sufficiently important to justify placing this additional burden upon the President, Congress could select some other governmental body to make the appointment.

The Maritime Commission might be selected to fulfill that duty, in view of the fact that it is conversant with conditions in the industry. It is desirable that the selection of the emergency boards be made in such a manner that their recommendations will be given the highest value in public opinion.

Another important feature of the Railway Labor Act is its provision for the National Railroad Adjustment Board, which was created by the 1934 amendments to the act.

This Board handles all disputes that grow out of individual grievances or out of the need for interpreting existing rules and labor agreements. If a man has a wage claim, or if he considers that he has been denied his rights under a given rule, or if he feels he has been improperly discharged, and the matter cannot be adjusted on his own railroad through his chosen representative, he may refer the matter to the National Railroad Adjustment Board for final determination. The Adjustment Board consists of an equal number of labor and railroad representatives. In the event these representatives deadlock, a neutral may be called in, or appointed by the National Mediation Board, to make a decision. All decisions of the National Railroad Adjustment Board are final and binding.

It is suggested that it may not be necessary at this time to establish a national adjustment board for the maritime industry. The same result could be reached by requiring that every maritime employer and

his employees, acting through their accredited representatives, establish a board of adjusting with jurisdiction similar to that exercised by the system of group boards under the Railway Labor Act. At the same time it is believed that it would be desirable to give authority to the National Mediation Board to establish a national maritime adjustment board when, in its judgment, it would be necessary to have such a permanent national board to provide for the prompt and orderly settlement of disputes between maritime employers and their employees.

It should be emphasized that this act does not prohibit the use of labor's most important weapon—the strike. It merely provides in the public interest that such weapon shall not be employed until reasonable efforts have been made by both parties to settle the dispute, with the assistance, if need be, of the Federal Government. Although complaint is made by some against possible delay, it is the opinion of the Commission that in water transportation, as well as in rail and air transportation, the interests of the public are paramount; both operators and employees must relinquish some of the privileges of those who are not engaged in businesses so directly connected with the public welfare. In the maritime field, additional important considerations prevail—those relating to safety at sea and to national defense.

The Commission wishes it to be clearly understood that the proposed measure would not interfere in any way with the orderly processes of collective bargaining, or with the development of stable unionism in the industry. On the contrary, the application of the principles of the Railway Labor Act to the maritime industry will foster collective bargaining on a permanent basis and thereby serve the interests of employee, employer, and the general public, just as it has done in railway transportation.

It has been stated that the maritime unions are not yet sufficiently well organized to insure the successful operation of this statute. Assuming for the sake of argument that the unions are not well entrenched, the act, as applied to the maritime industry, should actually hasten the organization of labor. It should also foster increased responsibility on the part of the duly selected representatives of organized labor.

Because of the importance of uninterrupted service to waterborne commerce, and because of the intimate relationship of stevedores, wharfingers, and towboat, barge, and lighterage services to merchant shipping, it is recommended that whatever provision is made for the settlement of disputes in the maritime industry should extend not only to disputes between operators and vessel personnel but also to longshoremen and to towboat, barge, lighterage, and dock employees.

The Commission believes that it would be desirable to have the maritime industry included with the railroads under the National Mediation Board. The impressive record of that Board indicates that it will have the confidence of all concerned. This is necessary for effective service. The jurisdiction of this Board has been recently extended, with good results, to employees engaged in air commerce. Nor is this Board inexperienced in maritime matters. It already exercises jurisdiction over the employees of steamship lines and harbor craft controlled by railroads. The proposed amendments will

not, therefore, thrust this Board into a new field, but will merely extend the scope of its activities therein.

An additional reason for utilizing the service of the National Mediation Board is the saving in expense necessary for the establishment of a new board. Additional responsibilities for the National Mediation Board will doubtless require additional staff and expenses for that body, but such additional expenses will be small compared with those that would be required for the establishment of an entirely new agency for the maritime industry.

The National Labor Relations Act already guarantees seamen the right to organize for collective bargaining. Application of the Railway Labor Act to the maritime industry will go one step further. It will force operators to meet with the representatives of their men, not only to settle questions of future wages, rules, and working conditions but also to settle, through joint boards, all grievances and questions of interpretation of agreements already in effect.

Seamen and operators alike must not lose sight of the fact that shipping is primarily an international business. While losses incurred by domestic enterprises as a result of labor difficulties may be recouped later, the situation with respect to shipping is vastly different. The business which American lines are unable to handle because of labor difficulties goes to our foreign competitors. Some of it may be recovered, but much of it will never come back. If the American merchant marine is to continue, and the American people are to continue to support it, tie-ups must cease and regularity of service must prevail.

Training: In connection with its study of the labor problem, the Commission has gone carefully into the question of sea training. While four States maintain schools for the training of officers, the United States is the only maritime power which does not have extensive facilities for training young men for the licensed and unlicensed personnel of its merchant marine. The declaration of policy in the Merchant Marine Act, 1936, states that the United States should "have a merchant marine * * * manned with a trained and efficient citizen personnel."

While the Commissions' general counsel advises that Congress has already granted the necessary power to enter into an adequate training program, the Commission is of the opinion that direct congressional approval should be had before undertaking substantial expenditures in connection with training.

It is suggested that the training program be worked out according to the needs therefor as envisioned by the Maritime Commission. The proposed amendment specifically authorizes the Commission to establish such a program. A further provision authorizes the Commission to establish a "maritime service." This service would be composed of merchant seamen who are willing to devote a part of their time to additional training. In this way it is contemplated that a force of competent merchant seamen will be built up for service on American-flag vessels. Such seamen in the maritime service will have a relationship to the merchant marine comparable to that of the Naval Reserve to the Navy. It is believed that with such a program, and with an improvement in working conditions, there is every reason to expect that a high type of personnel drawn from all

sections of the country can be attracted to our merchant marine. This is believed to be essential.

Although the Commission has no specific legislation to suggest at this time, I would like to draw the attention of the committee to the situation that exists in the regulation of shipping.

The Maritime Commission is charged with responsibility for the development of an adequate merchant marine. Many other agencies, however, exercise some jurisdiction over maritime affairs. A preliminary survey indicates that not less than 50 bureaus are concerned, directly or indirectly, with the control of shipping. This diffusion of authority means a costly duplication of effort, divided responsibility, interdepartmental rivalries, and lessened efficiency. Some division of responsibility is, of course, desirable and necessary. Much of it, however, could and should be eliminated.

The greatest duplication occurs between the Maritime Commission and the Bureau of Marine Inspection and Navigation of the Department of Commerce. The Bureau sets standards for the safety of vessels and has supervision over their inspection. This function is also performed by the Commission with respect to subsidized vessels. The Bureau, through its authority over shipping commissioners, supervises the contracts of employment of seamen, the enforcement of these contracts, and the arbitration of any disputes that may arise during the voyage. At 12 ports a service is maintained for purposes of employment. The examination and rating of licensed personnel is also subject to this Bureau. Any misconduct or negligence of seagoing personnel is subject to the quasi judicial power of the Bureau to revoke or suspend licenses and certificates of service. Thus it is clear that there will be instances where the duties authorized by Congress for the Commission to perform will overlap with those duties which the Bureau of Marine Inspection and Navigation have to perform. Some of the duties of these agencies should be combined, thereby disposing of many of the overlapping and paralleling functions. The maritime industry and the Government both will profit by such a step.

In general, the proposals I have discussed are covered in the economic survey submitted to the Congress. They are deemed by the Commission to be of the utmost importance and constitute the minimum changes required in the act to make it reasonably capable of accomplishing the purposes outlined. However, there have been suggested many other amendments of lesser importance, most of which are merely clarifying in nature. I shall not undertake a detailed discussion of these matters unless the members of the committee desire to make specific inquiries, as there is a brief discussion of each in the committee print which has been made available.

In conclusion, may I say that the Commission offers these suggestions in the belief that they will help to ameliorate the *impasse* with which we are confronted. We do not regard these brief amendments as a *penacea* for the ills of shipping. The best that can be hoped is that, over a period of time, the changes recommended will help to solve the two most serious ailments of the subsidized lines—the replacement problem and the situation with regard to labor.

It may well be that, even with the changes recommended, and with the payment of liberal subsidies, shipping cannot be preserved as a private enterprise. That remains to be seen. The Commission is determined to give private initiative every opportunity to succeed.

We have, therefore, indicated the changes which, in our opinion, will make the objectives of the act more likely to attainment.

I wish to repeat that this is a trial-and-error proposition. If it succeeds, well and good. If it fails, the Commission will return again to the Congress with additional suggestions and for further instructions.

The CHAIRMAN. We are much obliged to you, Mr. Kennedy; this is a very illuminating and helpful statement.

May I ask the members of the committee: Have you any questions to ask?

Senator VANDENBERG. Mr. Kennedy, you said the greatest obstacle to the re-creation of private investment in shipping facilities is the hesitancy of private capital to go into shipping. You cannot cure that hesitancy, can you, just in a maritime act?

Mr. KENNEDY. Not at all. But as it applies particularly to this act, Senator, there are certain provisions which make it impossible to get private capital here. But with the elimination of at least some of the situations covered by these amendments we hope the ensuing conditions will at least make the industry more attractive for private capital.

Senator VANDENBERG. I can understand that. But would you not agree there is a necessity for a much broader legislative program to recreate capital confidence?

Mr. KENNEDY. It seems to me I should confine myself to the Maritime Act.

Senator VANDENBERG. I think you should. But I should be greatly interested in your personal reactions.

Mr. KENNEDY. I should be very glad to give you that any time off the record.

Senator VANDENBERG. If that question is an inappropriate one, surely this one is: I was greatly struck by your argument that the earnings during 5 good years should be exempt so they can be a cushion for the 5 bad years. I was going to ask you if that would not be a good argument for the repeal of the surplus-profits tax, but I suppose that would not be a good question to ask, either.

Mr. KENNEDY. I think probably not.

Senator VANDENBERG. In relation to the labor question I think you probably put an appropriate emphasis on the fact that unless the labor situation can be corrected it is perfectly futile to undertake any maritime legislation at all; we might as well go out of business.

Mr. KENNEDY. That is right, sir.

Senator VANDENBERG. We hear a great many stories about insubordination and general lack of discipline on the sea, rising sometimes not only to the point of annoying passengers but actually endangering them. Has the Commission ever made a study of those conditions; and if the committee wished to consider that subject, could you provide us with information?

Mr. KENNEDY. Plenty.

The CHAIRMAN. Plenty of information bearing out the charges that are made?

Mr. KENNEDY. Yes, sir; that is right.

Senator VANDENBERG. In other words, it is not just idle gossip?

Mr. KENNEDY. That is right, sir.

Senator VANDENBERG. It is reality?

Mr. KENNEDY. Very definitely.

Senator VANDENBERG. Then, Mr. Chairman, I hope the committee will go into that subject before it attempts to go into the other one.

The CHAIRMAN. You need not worry about that; there will be plenty said about it.

Have you any further questions?

Senator VANDENBERG. No.

The CHAIRMAN. Senator Gibson?

Senator GIBSON. No; thank you.

The CHAIRMAN. Senator Guffey?

Senator GUFFEY. No; thank you.

The CHAIRMAN. Senator Radcliffe?

Senator RADCLIFFE. No.

The CHAIRMAN. Senator Clark?

Senator CLARK. No; thank you.

The CHAIRMAN. Senator Davis?

Senator DAVIS. I believe not; thank you.

The CHAIRMAN. Senator Sheppard?

Senator SHEPPARD. No.

The CHAIRMAN. Senator Nye?

Senator NYE. No; thank you.

The CHAIRMAN. Senator Pepper?

Senator PEPPER. No; thank you, sir.

The CHAIRMAN. May I ask a question: Do you make a definite recommendation that the Bureau of Marine Inspection be transferred to the Maritime Authority?

Mr. KENNEDY. No, sir; I think it is rather presumptuous upon our part to make a suggestion to take a bureau away from a department of a Cabinet officer. I think that should be within the discretion of the committee and the Congress.

The CHAIRMAN. I might say that a subcommittee of this Committee on Commerce—a subcommittee on safety at sea—is inclined to make that very recommendation; and before these hearings are ended I think we shall ask the Department of Commerce to come here and give their views regarding that.

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. But you did give arguments to indicate the desirability of some adjustment?

Mr. KENNEDY. Yes; that there is a conflict between us.

Senator CLARK. Mr. Kennedy, perhaps you gave this explanation before I came in, late. But I should like to ask you what is the justification for putting aviation under the Maritime Commission?

Mr. KENNEDY. Senator, I presented quite an argument here, regarding that.

Senator CLARK. Then I should be very glad to read that, in the record.

The CHAIRMAN. I think you will find in the record a very extended argument on that subject.

Senator SHEPPARD. As I understand it, Mr. Kennedy, the Commission is directed by the act of 1936 to go into the question of air commerce over the seas?

Mr. KENNEDY. Yes, sir; and to make a study, and to make recommendations for legislation.

The CHAIRMAN. I was very much impressed, Mr. Kennedy, by what you had to say about building abroad. I am frank to say that when I first heard the rumor that that was to be recommended, it went a little bit crosswise with me.

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. Possibly, because I have some shipbuilders in my territory, of course.

However, you gave very convincing arguments; and I want to ask you this question, since you did not state this particular point: You spoke of the three bids for construction of a sister ship to the *Manhattan*?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. You stated the amounts of the rejected bids; you did not state the amount of the accepted bid.

Mr. KENNEDY. I have that here, sir. It is approximately \$15,750,000. That is on an adjusted price. The comparable price with the prices that were given here, would be \$17,500,000, as against \$21,308,000 and \$21,947,000. Those latter were the two nearest bids.

The CHAIRMAN. And you gave the figures as regards the ships built in the Netherlands?

Mr. KENNEDY. As \$10,500,000.

The CHAIRMAN. Suppose you had had a bona fide bid from the concern located in the Netherlands, of the amount you have just named: Would you, with your philosophy, have felt that you should accept that, or would you have felt that the comparable American bid was sufficiently near it to justify it?

Mr. KENNEDY. I think in this case the bid of the Newport News Co. was a bid we could very properly accept.

The CHAIRMAN. I suppose it is a rare instance when you find actually building in an American or foreign yard, a ship comparable to what you hope to build?

Mr. KENNEDY. I think it is only from a very strange coincidence. And, of course, this ship was started in 1934. And by the time you readjust currencies and allow for increases in wages and decreases, in certain parts of the country, you have at best a scientific guess. But I wanted to make that clear; because if Congress feels it is a very definite idea, it is not so.

The CHAIRMAN. Is it your judgment that if we should give you the authority suggested, then the Maritime Commission would actually proceed to accept bids from abroad?

Mr. KENNEDY. I think that if there were an actual chance to accept foreign bids, everybody would begin sharpening pencils, very generally. Because when you consider the amount of subsidy to be granted to United States Lines for the operation of the ship, they were very close to the point where they could not have put any more capital into that particular ship and have had it pay, at all; it would have been a losing proposition from the day they took it on, if they had had to put any more capital into the ship.

So that automatically, whether they desire to build the ship or whether we desire to give them a construction differential that might have brought it up to about \$17,500,000, the company itself would not have been able to spend any more money and then operate the ship successfully.

The CHAIRMAN. Suppose we were to give you this authority: Would there have to be any special inducement in the way of an advance fee, to induce the foreign builder to present a bid? Or would he actually be willing to take his chance?

Mr. KENNEDY. I think if he felt there was a reasonable chance of his getting the bid, provided he was 100 percent less than the American company, then there might be some real attempts to make some bids. But if they thought we were just trying to get the bids in order to compare them with American bids and in order to make our work less difficult, then I doubt very much if there would be any attempt to figure it out. Because after all, it is an expense to take the plans and prepare a bid.

The CHAIRMAN. Of course the foreign builder would have in the back of his head, all the time, the decision or knowledge or conviction that his bid would be rejected if you had any ample excuse to accept the American bid?

Mr. KENNEDY. In other words, if the bid was not more than 100 percent differential, or else in the other proposals we felt there was collusion, then very definitely that would be the case.

The CHAIRMAN. Are there other questions?

(No response.)

The CHAIRMAN. Mr. Kennedy, are there other members of the Commission who will testify?

Mr. KENNEDY. Well, Mr. Chairman, anyone whom you wish to appear is available. I merely have a staff here to answer any questions directed to the Commission.

The CHAIRMAN. But you are speaking for the Commission?

Mr. KENNEDY. Yes.

The CHAIRMAN. You spoke about one member of the Commission being in opposition. Is he in opposition to all of it?

Mr. KENNEDY. No; he is only in opposition to the plan of putting them into effect now. And that is Commissioner Moran, who was on the committee that passed this legislation in the House. He feels we should take a longer period of time before we do anything about it. But it seems to me that time is moving rather rapidly; and you cannot build a ship by just pushing it down the ways. We are trying to get it done very quickly.

But he is in sympathy with the ideas.

The CHAIRMAN. Mr. Kennedy, if I understand you, it is your contention that under the law as it is now written, and with the powers that you now possess, it is unlikely that you could build any considerable number or any appreciable number of ships?

Mr. KENNEDY. I would say that is very definitely true, based on all the discussions we have had with private owners. I would say that we could not give the assurance to the committee, today, that we could build a half dozen ships.

The CHAIRMAN. On the other hand, I assume it to be your conviction that if we give you this added legislation, then there is a reasonable hope than you may proceed in the building of ships?

Mr. KENNEDY. Otherwise they could not get a permanent operating subsidy, unless they give some assurance that they are going into the construction of ships in an orderly replacement program. If there is not, then you will find no subsidy, and you will note it very quickly.

The CHAIRMAN. In that connection, I think you stated in effect that unless we have the labor arrangement made, or some provision made for the settlement or adjustment of labor disputes, it would not be worth while to build any ships?

Mr. KENNEDY. I quite agree with that; I see no sense in spending the Government's money and then having them in the precarious state that we have today.

The CHAIRMAN. We are going to follow this up, of course; but this is just for the sake of the preliminary hearing.

There has been during the past year or two very considerable interference with the operation of American ships? Am I correct?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. And with such power as you now possess or as now exists, you feel it is hopeless to attempt to deal effectively with those disputes?

Mr. KENNEDY. We have no powers at all, under the Maritime Act, except to fix wages, maintain scales, and improve maritime conditions. We have no power beyond that.

The CHAIRMAN. Let me go beyond that, Mr. Kennedy: Does that power exist anywhere?

Mr. KENNEDY. No, sir.

The CHAIRMAN. Therefore, if we are going to have an effective and efficient American merchant marine, then beyond and in addition to the economic features proposed by the legislation there must be some way to have the labor disputes settled so that these ships may operate?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. Are there any other questions?

Senator PEPPER. Mr. Chairman, I suppose all of us desire a general labor policy which will be generally satisfactory.

Mr. KENNEDY. That is right.

Senator PEPPER. In other words, we hope there will be labor conditions which will be satisfactory to honest laboring men, and that there will be orderliness in the rendition of labor which will be satisfactory to honest shipping men.

Mr. KENNEDY. That is right. As far as we are concerned, the only thing, as I say, that we have had to do is that we have already established the minimum wages, which have gone out.

We found conditions on most of these ships really very bad, and justification for complaints from all the seamen. We felt so badly that we have taken each ship and have gotten a committee of three, going on board of every one of the subsidized vessels and making suggestions of what could be changed. But when you consider that under the act 85 percent of those subsidized vessels have merely 5 more years during which they can be operated under the subsidy, it becomes apparent that you cannot do all you would like to do, because of the age of the boats.

But with regard to the new ships, their plans have been submitted to the people in charge of the labor unions, to see whether they meet all the requirements for the comfort of the sailors and all the people working on the ships.

The CHAIRMAN. Mr. Kennedy, I understand that you have followed the recommendations of this committee as regards construction of the new ships?

Mr. KENNEDY. That is right.

The CHAIRMAN. And in so doing you have provided not only for safety, but also for the comfort of the crew?

Mr. KENNEDY. That is right. And they have all been passed, by everybody considering them.

The CHAIRMAN. Further as regards your recommendations for labor, you do not propose anything revolutionary, as I understand; you admit the right to strike and the ordinary rights of labor?

Mr. KENNEDY. That is right, sir.

The CHAIRMAN. But you are seeking some method merely of dealing with the problem so that there will not be serious interference with the operation of the ships while the disputes are being settled?

Mr. KENNEDY. That is right; that is all.

The CHAIRMAN. Are there any other questions?

Senator GUFFEY. Do you think the labor troubles on the ships are not entirely due to labor, but also in part to the operators?

Mr. KENNEDY. That is right.

The CHAIRMAN. And do your recommendations include suggestions of steps that the employer may take in handling his labor?

Mr. KENNEDY. We feel that with the recommendations of this proposed legislation, that will be eliminated, as it has been in railroads.

The CHAIRMAN. I think everyone feels that the objection is that there is not a recommendation of the collective bargaining agreements.

Mr. KENNEDY. But I think every effort is being made to meet reasonable demands.

The CHAIRMAN. To quote from some speech at a dinner which, I understand, you attended last night, your recommendations would require that the employer "take at least one foot out of the trough"? Is that right?

Mr. KENNEDY. Yes, sir.

Senator GIBSON. Does your recommendation including fixing the minimum wage scale?

Mr. KENNEDY. That is right.

Senator GIBSON. What has been the reaction of labor to that wage scale?

Mr. KENNEDY. We have not had any complaints. They are still trying to work out an agreement on the east coast. Because the scale we put into effect was approximately that agreed upon between the operators and unions of the west coast. The east-coast men now are in process of trying to arrange agreements with the operators in the East. But we only fixed the minimum; and it is from there on that they are considering it. And we so stated, definitely.

Of course that only relates to the subsidized ships.

The CHAIRMAN. Thank you, Mr. Kennedy.

The CHAIRMAN. Is the Navy representative here this morning?

Commander V. R. MURPHY. Yes, sir.

Senator CLARK. Mr. Chairman, before he presents his statement, may I say that I have no objection to proceeding with the statements to be given by the representatives of the Navy, but it seems to me that Commissioner Moran should appear before the committee to state his views on the matter.

The CHAIRMAN. Is Commissioner Moran here?

(No response.)

The CHAIRMAN. He seems not to be here. Of course, we shall hear him later.

STATEMENT OF COMMANDER V. R. MURPHY, UNITED STATES NAVY, REPRESENTING THE CHIEF OF NAVAL OPERATIONS

The **CHAIRMAN**. Commander, what have you to say about the general subject of the merchant marine and the proposals which have been made here today? Are you officially representing the Chief of Naval Operations?

Commander **MURPHY**. Yes, sir; the Chief of Naval Operations.

The **CHAIRMAN**. Yes.

Commander **MURPHY**. The Chief of Naval Operations has no formal statement to make on the subject of the Merchant Marine Act. We are in substantial agreement with the Maritime Commission's proposals.

However, we should like to add to the proposed amendment to section 215, which is that section dealing with the Maritime Commission's taking over the aircraft engaged in foreign commerce. That section as it now stands reads:

The provisions of this act, insofar as they are practically or appropriately applicable, are extended to the construction and operation of aircraft used in transportation for hire of passengers and property in overseas trade—

And so forth.

We should like to have that extend to the requisition of aircraft, as it now exists regarding the requisition of ships in time of national emergency. That apparently is intended; but the restriction to "construction and operation" might seem to eliminate that.

The **CHAIRMAN**. Do you have a substitute amendment including the wording you suggest?

Commander **MURPHY**. No, sir. I think the words "and requisition" would cover it.

The **CHAIRMAN**. Very well; we shall make note of that.

Commander **MURPHY**. Also, in connection with section 901 of the act, which deals with the requisition of ships during a national emergency, we have a suggestion to make, sir.

The **CHAIRMAN**. Are you speaking of the act itself or of the proposed amendments?

Commander **MURPHY**. The act itself, sir.

The **CHAIRMAN**. Yes.

Commander **MURPHY**. I do have the suggested wording for that.

The **CHAIRMAN**. Did you say section 901?

Commander **MURPHY**. I beg your pardon; section 902.

The **CHAIRMAN**. Yes; section 902 (a). What is it you propose?

Commander **MURPHY**. We should like to have the language:

Whenever the President shall deem that the security of the national defense makes it advisable, or during a national emergency.

In other words, the present wording of the act seems to restrict that to "during a national emergency," whereas it may be advantageous to have that authority when a national emergency is imminent. In other words, we may have to act before a national emergency occurs.

The **CHAIRMAN**. Then, you make your second suggestion, that section 902 be amended as you stated?

Commander **MURPHY**. Yes, sir.

The **CHAIRMAN**. What was the other section about which you spoke?

Commander MURPHY. In the new bill, it is section 215. That is the proposal to include aircraft.

Those are all the suggestions I have.

The CHAIRMAN. Thank you very much. Are there questions from the members of the committee?

(No response.)

The CHAIRMAN. We are very much obliged to you, Commander.

The CHAIRMAN. Are there other witnesses here from any Government body?

Lt. H. W. CHANDLER. Yes, sir, Mr. Chairman.

The CHAIRMAN. Do you care to be heard?

Lieutenant CHANDLER. If you please.

**STATEMENT OF LT. H. W. CHANDLER, UNITED STATES NAVY, ON
BEHALF OF THE BUREAU OF NAVIGATION, NAVY DEPARTMENT**

The CHAIRMAN. Lieutenant, you are from the Bureau of Navigation?

Lieutenant CHANDLER. The Bureau of Navigation of the Navy Department; yes, sir.

The CHAIRMAN. And have you a statement to make?

Lieutenant CHANDLER. Only in regard to the interest which the Bureau of Navigation has in the training of the Reserves. In that connection we should like to have clarified the statements made in section 216 of the proposed amendment, concerning the training of the merchant marine. The Bureau of Navigation is primarily interested in the maintenance of the present status of the Merchant Marine Reserve and the development of it. But section 216 does not say anything about that. I was told to come down and ask if the committee had any definite suggestions.

The CHAIRMAN. We should be glad to hear your suggestions, Lieutenant.

Lieutenant CHANDLER. Very well, sir. Then, in that connection, may I make these observations:

Under the provisions of an act of Congress entitled "An Act to encourage the establishment of public marine schools * * *, and for other purposes," and amendments thereto, four States maintain and operate nautical schools—Massachusetts, New York, Pennsylvania, and California.

These schools bear a particular relationship to the Navy Department which, under the provisions of the act referred to, gives an annual cash grant of \$25,000 and the loan of a vessel with all of its equipment and furnishings to each of these States. In addition, the Navy Department makes all of the necessary repairs on each vessel so loaned, and these repairs are chargeable to regular naval appropriations.

These four schools are at present the only source of supply for merchant-marine officers especially trained with a view toward their usefulness as potential Naval Reserve officers. The commanding officers of the training vessels are retired captains of the Navy.

In view of the very special and important personnel and material interest the Navy Department has in the school ships and the State school-ship system, information is desired as to the intent of the

proposed amendment to the Maritime Act of 1936 contained in section 216 (a) and (c), pages 31 and 32 of the committee print of the Copeland bill, December 2, 1937, as related to school ships and the State nautical schools.

Senator GIBSON. Those are State institutions to which you refer?

Lieutenant CHANDLER. Yes, sir.

Senator GIBSON. But maintained largely by Federal appropriations?

Lieutenant CHANDLER. The subsidies from the Government to all four of these schools amount to \$25,000 apiece, annually? Is that so?

Lieutenant CHANDLER. Yes, sir.

The CHAIRMAN. Yes; we have one of them in New York.

Have you anything further to present to us?

Lieutenant CHANDLER. No, sir; I think not.

Senator GIBSON. What happens to the graduates of these schools?

Lieutenant CHANDLER. They go to sea in the lower ratings, although when they graduate they are given third-assistant engineer's licenses or third-mate's licenses. But when they go to sea, they seek employment with whatever company they can. And as soon as they can work their way up, they are given licensed positions in merchant ships.

Senator GIBSON. Do they have any trouble in obtaining employment under present conditions?

Lieutenant CHANDLER. I do not believe so; no, sir—not the graduates of those schools.

Senator GIBSON. There is no opposition from the unions or from other sources?

Lieutenant CHANDLER. I should like Captain Copeland to answer that question.

**STATEMENT OF CAPT. H. G. COPELAND, UNITED STATES NAVY,
ON BEHALF OF THE BUREAU OF NAVIGATION, NAVY DEPARTMENT**

The CHAIRMAN. What is your full name, sir?

Captain COPELAND. Capt. H. G. Copeland, appearing on behalf of the Bureau of Navigation, Navy Department, sir.

The CHAIRMAN. Very well.

Captain COPELAND. There has been some opposition in New York as regards the graduates of the New York school, in getting membership in the union. I understand that membership in the union has been denied them; therefore the graduates of that particular school, in some cases, if not in all cases, have been unable to get jobs, because they are unable to join the union.

The CHAIRMAN. Have you any further statement that you would like to make, Lieutenant Chandler?

Lieutenant CHANDLER. Captain Copeland has a further statement, I believe.

The CHAIRMAN. Very well, sir.

Captain COPELAND. The Navy Department's interest in the training program reflects an attitude that it very much favors the present set-up of training licensed personnel under the State schoolship system, under Navy auspices. And it is only interested in whether or not, under the Commission, it is intended to set up a training system

for licensed officers that will replace that system or interfere with it, or whether the training system for licensed officers will be additional, or what the case may be.

The CHAIRMAN. What is the use of training these men if they cannot get on the ships?

Captain COPELAND. Ordinarily they can get on the ships; that is just a transient situation, at the present time.

There has been no real difficulty in the past. These men all have opportunities to go to sea. Furthermore, they are very successful in reaching the high places, not only in the operation of ships but in the operation and administration of shipping generally.

The CHAIRMAN. Captain, I am glad you have such optimism. But I still think they will have some trouble for awhile.

Have you any further statement, sir?

Captain COPELAND. The Navy Department, I think, is in agreement with any training system under the auspices of any agency designated by Congress that is agreeable to the Navy Department, but feels that anything that tends toward a naval reserve is primarily a function of the Navy Department itself.

The CHAIRMAN. We had that out, did we not, in a hearing before the Commerce Committee?

Captain COPELAND. I think that was rather generally settled, sir.

The CHAIRMAN. Yes. And we shall bear in mind your suggestions.

Are there any other Government officials here?

(No response.)

The CHAIRMAN. For the benefit of the committee, may I ask if there are any steamship men who are eager to testify in connection with this bill, at some future time—not today? Does anyone know of any steamship operators or others who wish to appear in that connection?

Mr. REGINALD G. NARELLE. Mr. Chairman, I shall file an appearance here for the Canal Carriers' Association of New York, who have an interest in this bill, operating from the North Atlantic to and from the Great Lakes.

Senator GIBSON. In other words, what is commonly known as the barge canal?

Mr. NARELLE. Yes, sir.

The CHAIRMAN. Would you care to testify at this time?

Mr. NARELLE. No, sir—but later.

The CHAIRMAN. Are there others who will testify at some time? Are there representatives of labor here?

Mr. MORTON BOROW. Mr. Chairman, some of the representatives are here now, but we have not had sufficient time to prepare our argument.

The CHAIRMAN. Whom do you represent?

Mr. BOROW. The A. R. T. A.; that is, the radio officers.

The CHAIRMAN. Then, will you state when you will be able to be here?

Mr. BOROW. I should like to ask this question, Mr. Chairman: How long will this committee meeting continue?

The CHAIRMAN. Well, long enough to hear those who will be interested. But, of course, we do not want these hearings to continue all winter.

Mr. BOROW. May I ask what was the normal contemplated time that you would give to us?

The CHAIRMAN. Could you testify within 10 days, say?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Do you think that is true of other representatives of labor?

Mr. BOROW. Yes, sir—that is, giving us the full period of 10 days.

The CHAIRMAN. Will you talk with the clerk of the committee and see if you can agree upon a date?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Are there any others?

Mr. IRA L. EWERS. Mr. Chairman, my name is Ira L. Ewers, and I am an attorney. When these measures were introduced, they were submitted to a number of steamship companies who have an interest in this problem, some of whom are on the west coast, but from whom we have not heard as to whether or not they will desire to attend.

So I am unable to say whether they will or will not desire to testify. The understanding we obtained was that the hearings would be continued for witnesses other than Government witnesses about December 13. Before that time, undoubtedly we shall be informed as to whether any of those people desire to testify.

The CHAIRMAN. Very well; if you will keep in touch with us, then we shall try to agree upon a time.

Does anyone else care to speak?

(No response.)

The CHAIRMAN. Then, I am very much obliged to you; and that will be all this morning, unless the members of the committee have anything to say.

(No response.)

The CHAIRMAN. Very well; then we shall adjourn at this time.

(Whereupon, at 11:45 a. m. an adjournment was taken, subject to call.)

AMENDING THE MERCHANT MARINE ACT OF 1936

MONDAY, DECEMBER 13, 1937

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to call, at 10 a. m., in the Caucus Room, Senate Office Building, Senator Royal S. Copeland, chairman of the Commerce Committee, presiding.

Present: Senators Copeland (chairman of the Commerce Committee, presiding), Thomas, Sheppard, Mrs. Caraway, Biblo, Guffey, Maloney, Ellender, Vandenberg, and Gibson.

The CHAIRMAN. The committees will come to order.

Mr. Luckenbach, we will begin with you. We are going to take up the labor section.

STATEMENT OF EDGAR F. LUCKENBACH, LUCKENBACH STEAMSHIP CO., NEW YORK CITY

Mr. Luckenbach, we are glad to see an old friend here this morning. I mean a friend of long-time standing. What do you wish to talk about?

Mr. LUCKENBACH. I should like to talk about the bill, S. 3078.

The CHAIRMAN. Very well. Proceed. What part of the bill do you wish to discuss? Section 15?

Mr. LUCKENBACH. I wish to discuss section 507 of the Merchant Marine Act, 1936.

The CHAIRMAN. That is section 16 of the bill.

Mr. LUCKENBACH. And then I will make some suggestions which I hope the committee will take into consideration.

The CHAIRMAN. We will be glad to hear your suggestions, and they will of course be given consideration.

Mr. LUCKENBACH. When we have a toothache we go to experts, you know.

The CHAIRMAN. I am not quite sure why you came here then, Mr. Luckenbach.

Mr. LUCKENBACH. When we want advice we go to experts. And I wish you would follow some of the advice we have given and what I am going to give you.

Mr. Chairman and ladies and gentlemen of the committee. It is to be assumed that vessels now receiving operating-differential subsidies cannot engage in the intercoastal service unless so authorized by the Commission at the time of the adjustment of the ocean-mail contracts.

If no such authorization has been made it is reasonable further to assume that vessels now engaged in intercoastal service shall not be subject to competition of subsidized vessels, except as provided for under section 506 of the present Merchant Marine Act, 1936, or as proposed under the amendments to that section under the bill S. 3078.

Under section 506 of the Merchant Marine Act, 1936, as it now is, and also the proposed amendment of that section under the bill S. 3078, vessels for which a construction differential subsidy has been paid may upon paying certain portions of such subsidy to the commission and/or waiving of the operating-differential subsidy, engage in the intercoastal service.

I vigorously objected to this section of the present bill as it now is before it was passed and wish also to do so in respect of the proposed amendment as it is a discrimination against the nonsubsidized vessels which in time would restrict the service to subsidized vessels carrying high rate cargo and nonsubsidized vessels carrying bulk cargo.

Under the present act and also the proposed amendment certain owners with the assistance of construction and operating-differential subsidies would be able to construct and operate superior types of vessels at comparatively lower costs in intercoastal service. This would enable subsidized vessels by reason of their speed to take the bulk of the high-rate cargo relegating other vessels to low-rate cargo.

Furthermore, if the bill S. 3038, introduced by Senator McAdoo, providing for a subsidy for vessels up to 20 years of age when engaged in the intercoastal service, were passed vessels operating in that trade under the present act and/or the proposed amendment would receive the subsidy to the exclusion of practically all other vessels except the present passenger vessels engaged in the service.

This condition would restrict replacement of vessels and the building up and development of a merchant marine.

It is therefore my opinion that in the interest of the intercoastal service as a whole section 506 of the bill S. 3078 should be deleted from the bill and an amendment substituted prohibiting subsidized vessels and vessels which have at any time been subsidized, from the intercoastal service.

Also that each company now operating in the intercoastal service through the Panama Canal should be exempt from the payment of tolls to the extent of the total Panama Canal net tonnage of vessels actually operated by each company in that trade as of November 1, 1937.

THE CHAIRMAN. Mr. Luckenbach, how much would that reduce the Canal tolls—the total? Have you the figures?

MR. LUCKENBACH. No; I have not. Such tolls to be deposited by each company in a special fund, such money to be free of taxation of any character whatsoever and to be used exclusively for the purpose of replacing vessel tonnage of the respective company concerned. Construction of the first vessel to start within the year following the effective date of the bill.

I believe in a law for the establishment of a merchant marine and the necessary replacements to maintain same in the interest of our industries, commerce, and as an auxiliary to our Navy, but I do not think that can be accomplished by the present Merchant Marine Act of 1936, the proposed amendments under the bill S. 3078, and other pending legislation such as Mr. McAdoo's bill, S. 3038.

I want to suggest that the Panama Canal be operated 24 hours per day when possible.

It is my opinion that any legislation should embrace vessels employed in domestic, as well as in foreign services, and should be indiscriminatory, extending assistance to all owners alike and not to certain services and owners only.

Concerning the amendment to the Intercoastal Shipping Act of 1933, as proposed on page 30, section 43, I think it will go a long way in the stabilization of that service, except the limiting of the act to "common carrier" only would probably frustrate the purpose of the amendment and therefore suggest that the proposed amendment be amended to read as follows:

SEC 5. The provisions of this act are extended and shall apply to every common and contract carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916.

Since 1934 seagoing and shore personnel through strikes, inefficiency, lack of discipline, interunion friction, and numerous other causes have cost shipowners and the public millions of dollars and loss of cargo tonnage which may never be regained.

This condition is disastrous to the shipowner and costly and unsatisfactory to the public concerned.

The provisions of title X would set up the necessary organization and would go a long way toward taking care of the labor situation in the interest of all concerned and would seem to be entitled to the support of all including labor.

I was glad to hear the statement of Congressman Bland, chairman of the congressional committee who had similar hearings last week, to the effect that no legislation for the relief of the American Merchant Marine—mentioning the intercoastal lines in particular—would be beneficial unless the Pettengill bill, i. e., the repeal of the Fourth Section Act should be defeated in the Senate.

The CHAIRMAN. Thank you, Mr. Luckenbach.

Are all the matters in which you are interested and are advocating this morning, Mr. Luckenbach, included in the McAdoo bill?

Mr. LUCKENBACH. Is that S. 3078?

The CHAIRMAN. No; the bill Senator McAdoo proposed to give greater favors to intercoastal lines.

Mr. LUCKENBACH. That is what I object to—giving greater favors to some of our competitors.

The CHAIRMAN. Yes; I understand. But he does not do that. You would not expect Senator McAdoo to go back on any American institutions?

Mr. LUCKENBACH. Well, in the bill as I read it, that is what he does, practically.

The CHAIRMAN. I am surprised. We will have to bring him in as a witness.

Mr. LUCKENBACH. That is, vessels will receive a subsidy if they are under 20 years of age. All the war constructed vessels are practically 20 years old, and those are the ships that are in the intercoastal trade, with the exception of the Grace, United Fruit, and Panama-Pacific.

The CHAIRMAN. If that rule were applied to all our ships, foreign as well as domestic, we would not be paying any subsidies in 2 or 3 years, would we?

Mr. LUCKENBACH. No.

The CHAIRMAN. We are much obliged to you, Mr. Luckenbach. Mr. Shepard, we will hear you next.

**STATEMENT OF OTIS N. SHEPARD, SHEPARD STEAMSHIP CO., 205
EAST FORTY-SECOND STREET, NEW YORK CITY**

Mr. SHEPARD. My name is Otis N. Shepard. The Shepard Steamship Co. is a common carrier engaged in transportation of cargo and a limited number of passengers in the intercoastal trade.

They own and operate five freight steamers of from 8,500 to 9,500 dead weight tons each, between Boston, New York, and Philadelphia, on the Atlantic coast, and Los Angeles, San Francisco, Portland, and Seattle on the Pacific coast of the United States.

They also serve many other ports, such as Albany, N. Y.; New London, Conn.; New Bradford, Mass.; Tacoma, Wash.; Olympia, Wash.; Sacramento, Calif.; and many other small places on Puget Sound, Columbia River, and on the Atlantic seaboard.

The company is a corporation, incorporated under the laws of the State of Maine. They purchased their ships from the United States Shipping Board for operation in the intercoastal trade. They carry east-bound about 60 percent lumber and 40 percent miscellaneous general cargo, and west-bound entirely miscellaneous general cargo.

Except during strike periods, they have maintained continuous and regular service to date.

They have served during the past 9 years several thousands of shippers in both directions.

Mr. Chairman, and ladies and gentlemen of the committee: The Shepard Steamship Co. has appeared before your committee previously, so I understand that you are familiar with the fact that they are small common carriers in the intercoastal trade. Later, if the committee wishes further information about our company, I shall be glad to give it.

The CHAIRMAN. I think we are reasonably familiar with it.

Mr. SHEPARD. I am appearing on their behalf to protest against section 43 of S. 3078, which proposes to amend the Intercoastal Shipping Act of 1933.

The proposal which we object to particularly, is that in which it is proposed to increase the regulatory powers of the United States Maritime Commission, so that they will be empowered in future to determine, to prescribe, and order enforced minimum rates, fares, and charges in addition to their present power to determine and enforce maximum rates, fares, and charges for the protection of the shipping public.

Although we believe it is also a highly controversial matter, we are not today objecting to the other amendment, which proposes to extend regulations to interstate as well as intercoastal carriers per se.

The increase of the regulatory power which has been and still is a highly controversial subject, should not be included in this bill covering the matter of subsidies, which is represented as "emergency legislation" important to be acted upon immediately for the protection and preservation of the American Merchant Marine.

We are therefore requesting that section 43 be deleted from this bill and made the subject of separate legislation, to the end that the

general public may have ample notice to appear and make their wishes fully known.

We believe that this extension of minimum-rate authority is not necessary, not desirable nor in the public interest at the present time.

In the light of past history, the power to enforce minimum rates is a subject giving cause for due concern and inasmuch as there appears to be no necessity for same at the present time on the intercoastal trade, should be a subject of further consideration before enactment.

There is no need for an increase of regulatory powers at the present time in the intercoastal trade.

During the decade and a half of water transportation in the intercoastal trade via the Panama Canal, and up to June 1933, there were frequent and violent fluctuations in the cargo rates. There existed many discriminatory and preferential practices between shippers, places, and kinds of commodities, all of which caused great hardships to the shipping public. Numerous rate wars between carriers occurred. Many conference agreements were created after each period of open rates. Each conference only lasted for from 6 months to a year and a half to then disband for a succeeding period of vicious rate cutting. Distress to both the competing carriers and the shipping public made it wise and proper for Congress to act. As a result the Intercoastal Shipping Act of 1933 was passed by Congress.

No such situation is prevalent in the intercoastal trade today. Since the passage of the Intercoastal Shipping Act of 1933 there has been no rate war, no cutting of rates, nor any sudden and violent changes of rates, fares, charges, rules, regulations, or practices. One conference has existed continuously for over 4½ years. Its operations are continuing tranquilly and reasonably satisfactory to both steamship lines and the shipping public. There is not the slightest indication but that it will continue indefinitely. It is presently cooperating with its principle competitors the transcontinental rail lines and is at the moment appearing before the Interstate Commerce Commission. It is asking that Commission to allow increases of the all rail and the rail and water rates in order that the Intercoastal Steamship Freight Association (the present Conference Lines) may increase their water rates. The associates lines openly state that they desire and need increased freight rates, that they can not increase their rates unless the rail rates which form a ceiling or dead line for the water rates, are increases.

Since 1933 the water rates and charges have been stable and without sudden or violent fluctuations. In fact there have been but two important changes:

1. An increase in rates of approximately 10 percent was made in October 1936 and approved by the then existing United States Shipping Board.

2. A similar increase, because of increased operating costs was made in June or July of this year, 1937, and was approved by the United States Maritime Commission. Shippers and competitors have 30 days notice before any material changes are made in either rates, rules or practices.

The proposed increased in rate regulation is undesirable.

Where there is an evil or wrong to the public to be righted, new legislation is justified, but when there is no wrong prevalent, Congress should refrain from enacting unnecessary legislation. The new conditions and changed requirements must be met by industry. Such

changes, particularly affecting transportation are distressing to a large number of industries. We all, particularly at the moment, realize the need of helpful consideration, sympathizing with general business, and no law should be unnecessarily enacted to disturb and distress it.

The duty of determining, prescribing, and ordering enforced minimum rates, places a very heavy burden on the United States Maritime Commission, as well as the water carriers and the shippers. Water rates never have been and cannot be determined by any scientific method. Consideration is necessary of some 40 or 50 factors, on each and every commodity separately. The commission would be obliged to either hold lengthy hearings at which the carriers and the shippers must appear on some 4,000 commodity rates or else must set minimum rates at such a low level, that they would have no effect or value on either the lines or the shippers. They would in fact enjoy the same position as that occupied by the maximum rates which were on file before the Intercoastal Shipping Act became a law and which were fixed so high that they meant nothing.

The proposed extension of minimum rate power is not in the public interest.

This proposal has been regularly stricken out of every bill put before Congress in the past two or three sessions because of voluminous testimony by the shipping public, a repetition of which space does not permit herein. Review if you will the testimony of shippers before deputy administrators on the proposed code of fair competition for the shipping industry, pursuant to the National Industrial Recovery Act. Review also testimony in the United States Shipping Board, intercoastal investigation, Docket 126—also review testimony before the Merchant Marine and Fisheries Committee of the House and the Committee on Commerce of the Senate on this subject.

Suffice it to say that I have here with me a list of 175 shippers who have appeared and given testimony at these hearings, setting forth their wishes on this subject. They represent nationally well-known concerns as well as a great number of small shippers. I shall be glad to give that list for these records, if it is desired. Many of those testifying at these hearings were associations representing thousands of concerns shipping cargo in the intercoastal trade. All have expressed their views and all are opposed to the delegation of further regulatory powers in the intercoastal trade at the present time.

There is no necessity now for this proposal. It is true that minimum rate power has been delegated to the Interstate Commerce Commission over the railroads and the need for same is clearly demonstrated in the controversy over the Pettengill bill still before Congress over the fourth section, long-and-short-haul clause. It is common knowledge that to eliminate this minimum rate control over rail rates as in the past would in the future enable railroads to eliminate water carriers. No such condition prevails in water transportation. The principle of allowing common carriers by water to set rates as economically as they feel possible for the benefit of the public does not force out of business any other carriers. The rate structure as existing at present is not destructive to the water carriers themselves as evidenced by the fact that the Intercoastal Steamship Freight Association (the present Conference Lines) are at present publicly stating to the Interstate Commerce Commission not only that they need increased rates but that they can and will increase their rates provided

the Interstate Commerce Commission allows the railroads, which form a ceiling over water rates, to increase rail rates.

In conclusion permit me to state for the record that we feel the proposed amendment is fraught with danger and will result in the elimination of small water lines, including our company, because of the persistence and continual pressure of the larger and powerful water lines.

My company has never defaulted on a single payment to the Shipping Board or the Maritime Commission. They have always discounted all bills and expect to continue their service to the public and to meet their obligations unless they are forced to charge rates which are not commensurate with their service. As long as their service is desired by the shipping public no law should be put on the statute books which will enable any governmental commission to deprive the public of that service.

In the nature of things, the authority, to be set up under this proposed amendment of section 3 of the Intercoastal Shipping Act, will have to rely for information and suggestions upon the industry itself. The powerful lines have been in position in the past, and will be in a position in the future to spend the time and effort necessary for a continuous and persistent presentation of their point of view and their special interests. The smaller carriers and the often unorganized shipping public are not in a position to do so. In the light of past experience there is just cause for concern, that if not accompanied by further safeguards, the new rate fixing power will be exercised to the exclusive advantage of the powerful lines maintaining superior services, causing the elimination of their most modest competitors to the detriment of the public interests.

The United States Shipping Board went so far in its decisions in dockets 139, 144, and 148 as to take on themselves without delegation of power from Congress the authority to declare rates unlawful because they considered them unreasonably low. How much more evident it is that in the event that Congress delegate minimum rate power similar results will occur. This can only be avoided if minimum rate power is to be delegated by enacting an express proviso.

For the above reasons we urge your committee, first, that the minimum rate power be deleted. Secondly, failing that action we ask the committee that in the event the power is to be delegated that the act be further amended by adding the following:

Provided, That in prescribing such maximum and minimum rates, fares, and charges differentials shall be established based upon differences in service rendered, to the end that small water carriers operating in the domestic commerce of the United States shall be adequately protected.

The above amendment is the same amendment suggested in April 1935 when the Seventy-fourth Congress, first session, was considering this same extension of minimum rate power in connection with S. 2582, which bill was eventually abandoned and replaced by the present Maritime Act of 1936 with the minimum rate provision deleted.

We filed a very short brief at that time on this subject, copy of which I have here with me and which holds as true and applicable today as it did then and I desire to request that this former brief, which I herewith tender, be made a part of this record, in order that the committee may again have called to their attention:

1. The necessity in the public interest for rate differential based upon differences in service rendered.

2. That the powerful "A" Lines operating in the intercoastal trade are determined to bring about a parity of rates irrespective of type and cost of service.

3. The opinion of shippers on the matter of rate differentials.

The CHAIRMAN. We are much obliged to you Mr. Shepard. We will have printed in the hearings at this point the brief you suggested should be placed in the record.

The brief submitted by Shepard Steamship Co. is here printed in the record, as follows:

(Before the Committee on Commerce of the United States Senate, 74th Cong., 1st Sess.)

REGULATORY PROVISIONS OF THE SHIP SUBSIDY BILL (S. 2582)

MEMORANDUM IN SUPPORT OF AN AMENDMENT PROVIDING THAT, IN FIXING MINIMUM RATES FOR INTERSTATE AND INTERCOASTAL WATER CARRIERS, DIFFERENTIALS SHALL BE ESTABLISHED BASED UPON DIFFERENCES IN THE SERVICE RENDERED

[Submitted by SHEPARD STEAMSHIP CO., HAROLD S. DEMING, LASZLO KORMENDI, Counsel]

The purpose of this brief is to urge upon the Committee the necessity of adding the following proviso to Section 701 (1) of the Bill (which amends Section 18 of the Shipping Act, 1916) on page 32, line 11 thereof.¹

"Provided, that in prescribing such maximum and minimum rates, fares and charges, differentials shall be established based upon differences in the service rendered, to the end that small water carriers operating in the domestic commerce of the United States shall be adequately protected."

The same proviso should also be added to Section 701 (3) of the Bill (which amends Section 3 of the Intercoastal Shipping Act, 1933) on page 33, line 20.¹

* * * * *

The sections of the Bill referred to would effect a change in the law by conferring upon the new Federal Maritime Authority the power to prescribe *minimum rates* for water carriers operating in interstate and intercoastal trade. The effect of the additional language offered herein would be to *insure* (1) that this new power would be exercised in such a way as to allow each class or type of water transportation to serve the need to which it is economically best adapted and (2) that it will *not* be used so as to create a shipping monopoly and to deprive the shippers and consumers of this country of the economic advantage of *paying less* for a type of service which it *costs less* to provide.

I. THE NECESSITY, IN THE PUBLIC INTEREST, FOR RATE DIFFERENTIALS BASED UPON DIFFERENCES IN THE SERVICE RENDERED, IS UNIVERSALLY RECOGNIZED

From the earliest beginnings of transportation for hire, the necessity has been recognized for differentials in rates, based upon differences in the type of service rendered. It is obvious that a varied machinery of transportation could not exist if the *same rate* were charged for simpler and less costly modes of transportation as for the most expensive one.

(1) *Differentials exist on every all-rail route.*—Express shipments by rail (fast, frequent) always pay a premium over freight shipments over the same distance, and this choice of service is of very great importance to shippers.

(2) Differentials are permitted (a) on all-water routes against all-rail, (b) on rail and water routes against all rail, and (c) on rail-and-water, where the water trip is long, against rail-and-water, where the water trip is short—Here again the right of the public to varying services at varying costs has moved the Government to protect services, which, at a parity of rates, could not possibly exist.

(3) Differentials are well recognized on many all-water routes.—The Pacific coastwise trade have differentials on a large number of items, classifying their lines into A, B, and C. The River Plate, Brazil, Southbound Conference have had a differential varying between 5% and 10% (now about 7%). The Havana Confer-

¹ The page and line numbers refer to Committee Print No. 2, dated April 24, 1935.

once has a differential of from 5% to 7½%. There is a Differential Conference to Italy.

(4) Differentials are permitted and fostered in a great variety of other forms of transportation.—Street car fares are less than bus fares; bus fares than taxicab fares; goods or mail moved by airplane pay more than by train; by train more than by bus; by bus than by canal boat, etc., etc., the world over.

Indeed, it is so obvious as to preclude all discussion that a parity of rates for all types of transportation service, irrespective of cost, would be against the public interest. Such a parity would be sheer economic waste. It would cripple the free flow of commodities. It would drive the more modest but economically valuable means of transport out of business. It would deprive shippers and consumers of a varied and well balanced system of transportation, and compel them to pay for a uniformly high geared one which they neither need nor want.

II. THE A LINES OPERATING IN THE INTERCOASTAL TRADE ARE DETERMINED TO BRING ABOUT A PARITY OF RATES IRRESPECTIVE OF TYPE AND COST OF SERVICE

THE SITUATION IN THE INTERCOASTAL TRADE

The so-called intercoastal trade is the trade by water (limited of course to United States vessels) between ports on the Atlantic Coast of the United States and ports on the Pacific Coast of the United States by way of the Panama Canal. In this trade there have been operating the following steamship lines, known as A lines, operating fast vessels and frequent sailings, viz: American-Hawaiian Steamship Company, Dollar Steamship Lines, Inc., Ltd., (Grace Line) Panama Mail Steamship Company, Luckenbach Steamship Company, Inc., (Panama Pacific Line) American Line S. S. Corporation.

There are also the following lines known as B lines, maintaining slower or less frequent service, viz: Arrow Line (Sudden & Christensen-Los Angeles Steamship Company), Calmar Steamship Corporation, Lethmian Steamship Company, McCormack Steamship Company, Pacific-Atlantic Steamship Company (Quaker Line), Williams Steamship Corporation; and finally there are the following lines known as C lines, maintaining a distinctly inferior and less frequent service: Nelson Steamship Company, (Pacific Coast Direct Line, Inc.) Weyerhaeuser Steamship Company, Shepard Steamship Company, Union Sulphur Company, Argonaut Steamship Company.

THE POSITION TAKEN BY THE "A" LINES

In all proceedings before the Shipping Board Bureau (as well as in their dealings with their competitors) the "A" Lines have insisted that in the intercoastal trade there must be a single rate structure or an absolute parity of rates without regard to the type of service and to the cost of running it. That position was stated as follows in a joint brief filed by three of the "A" lines (Grace Line, Panama-Pacific Line and Dollar Steamship Lines) in the intercoastal investigation recently conducted by the United States Shipping Board Bureau:

"The development of the American Merchant Marine as required by Congressional mandate can be served best by the Bureau prescribing a single set of rates for all services in order to make the competition between carriers one in service only" (page 9).

During the same investigation, Mr. Luckenbach, President of the Luckenbach Steamship Company, operating one of the "A" services in the intercoastal trade, testified as follows:

"Q. I wish you would advise the Examiner as to what you think should be the method of making rates on steamships operating between the Atlantic and the Pacific?—A. I think we should work on a one-rate basis, service to count.

Q. One rate basis, service to count?—A. Yes.

Q. I understand you to mean by that, that there should be one rate: To illustrate, on one commodity, between New York and San Francisco?—A. Yes.

Q. By all lines?—A. By all lines.

A. I think we all ought to be on the same basis. They had the same opportunity. I mean they, or anybody, could have bought the ships that I bought; but they did not see fit to do it.

Q. (By Examiner de Quevedo). Mr. Luckenbach, why is it that you advocate one single rate in this intercoastal operation?—A. Well, from my experience.

I am competing with fast ships, and I am perfectly willing to do that, and I think everybody else should be in the same boat.

Q. For what particular reasons? Will that be helpful to the trade?—A. That would build up more ships and faster ships.

Q. What would become of the slower vessels?—A. *It would be just too bad for them unless they got together and had a service which could compete with us.*

Q. Then it would cost you more to operate a 13-day vessel than it would to operate a 32-day vessel? Is that correct?—A. Yes, sir.

Q. Still you believe that the 32-day vessel should have the same rate as the 13-day vessel?—A. Yes, sir.

Q. In other words, there should be no relationship to the cost of the service as shown in the rates?—A. No, sir. The 32-day vessel a man can go out and build just the same as I can. I do not believe in putting a premium on inferior service" (Record of Intercoastal Investigation, pp. 521, 522, 523, 528, 529 and 533). [Italics ours.]

At the same time Mr. Luckenbach insisted that his ships must be allowed to charge a differential under the transcontinental railroad rates, because:

"* * * I would not get any business if I did not."

He stated that he must charge a lower rate "in order to live" (Record of Intercoastal Investigation, p. 532).

The Shipping Board Bureau has not as yet issued a report or made any ruling on the subject of differentials in the intercoastal trade. It is certain, however, that the organized and persistent pressure of the "A" lines in favor of the single-rate structure will continue to be exerted upon the Shipping Board Bureau and, if this Bill should be enacted without adequate safeguards, increasingly upon the new Maritime Authority.

III. THE OPINION OF SHIPPERS ON THE QUESTION OF RATE DIFFERENTIALS IN INTERCOASTAL TRADE

The intercoastal investigation referred to above was conducted from February to October of last year. It was widely advertised. An unusual number of shippers appeared and testified at the hearings. Every one of the shippers was of the opinion that the maintenance of rate differentials for varying types of services is absolutely necessary.

Their composite opinion may fairly be summarized as follows:

(1) Under one rate structure, all cargo that moved at all would move by the fastest, most frequent service available. This would mean that the slower, less frequent lines would starve to death and go out of business and the remaining A lines would have a monopoly.

(2) Some commodities require frequent shipments and swift transport. These can afford to and do pay a premium. These travel by railroad or by A lines for the most part. Others, less valuable, or less perishable, or more bulky, or easier to store, can more economically move by the slower, less frequent lines. The shippers of such commodities should not be deprived of these slower services.

(3) Slower lines do not, in any fair sense, "divert" traffic from A lines. They carry traffic which, on a basis of sound business, properly belongs to them. They create traffic which otherwise could not afford to move. Shippers need the cheaper differential services in order to afford to move low grade, heavy volume, high weight density products at all.

(4) The faster, more frequent lines, because of the necessity of maintaining punctual departures and fixed schedules, naturally give their preference to the needs of a few predominant ports, such as New York, San Francisco, Philadelphia. They tend to ignore the needs of lesser ports to the injury of millions of citizens.

(5) Shippers wish no injury to the A lines. They now divide their patronage among the A, B, and C, lines in accordance with the varying business factors in each case.

(6) Differentials exist the world over. They rest on economic necessity. Shippers can see no reason why the intercoastal trade should be treated differently from other trades.

The effect which a single-rate structure would have upon the intercoastal trade was aptly stated during the investigation by Mr. Warley of the Calmar Steamship Corporation, as follows:

"Can you state the grounds on which you think the one class set-up is illogical?—

A. There has been a great deal of testimony to substantiate my own belief that a one-rate set-up would simply mean that the slower lines would be forced out of the entire business, or only sufficient left in the business to take what the 'A' lines

did not want or could not carry. * * * And I think that anything that would establish a set-up of a single-rate structure would put 60 per cent. of the tonnage in the trade in a very hazardous and perhaps impossible position to operate." (Record of Investigation, pp. 3410-3411.)

At the time of the proposal to establish a Code of Fair Competition for the shipping industry, the situation in the intercoastal trade received extensive study by Mr. William H. Davis, a distinguished lawyer, then Deputy Administrator of the N. R. A. in charge of Shipping. As a result of that study, Mr. Davis made public announcement of his conviction that *any* regulation of water carriers operating in the intercoastal trade *must* provide for differentials for the varying services. He stated:

"* * * But I do say that you must in some form reintroduce into the intercoastal trade a competitive condition that will, either by agreement or by the pressure of necessity, *develop a differential for different services*. I do not care whether it is agreed on beforehand by rational men who know the value of their services or whether the industry is forced to come to agreement about it by selling their service for what it is worth in order to live. But unless I am wholly mistaken, and if I am I want to be corrected, *it is necessary, to solve the problems of that branch of the industry, that that idea should be introduced some way*." (Speech before the Propeller Club of the United States, Port of New York, December 14, 1933.) [Italics ours.]

IV. THE PRINCIPLE OF CHEAPER RATES FOR CHEAPER TYPES OF SERVICE SHOULD NOT BE LEFT TO IMPLICATION BUT SHOULD BE EXPRESSLY DECLARED

In the nature of things, the Authority to be set up under the Bill will have to rely for information and suggestion upon the industry itself. The powerful lines have been in a position in the past, and will be in a position in the future, to spend the time and effort necessary for a continuous and persistent presentation of their point of view and of their special interests. The smaller carriers and the often unorganized shipping public are not in a position to do so. In the light of past experience, there is just cause for concern that, if not accompanied by further safeguards, the new rate fixing power will be exercised to the exclusive advantage of the powerful lines maintaining superior services, causing the *elimination* of their more modest competitors, to the detriment of the public interest. This can only be avoided by enacting the express proviso suggested herein.

Dated New York, April 21, 1935.

Respectfully submitted.

SHEPARD STEAMSHIP CO.

HAROLD S. DEMING,
LASZLO KORMENDI,
Counsel.

The CHAIRMAN. Mr. Shepard, I now want to ask you a question. Have you seen the committee print with the explanation of the different sections as made by the Maritime Commission on page 40? I do not think you have quite answered the explanation or the criticism that was made by the Commission about the importance of filing these rates, both maximum and minimum, on 10 days' notice. The charge made is:

They may charge different rates from different shippers for the same services, provided such rates are lower than the maximum rates, and may increase their actual rates without notice provided the increased rates are not higher than the maximum rates. These privileges and the lack of publicity lend themselves to secret rebates, trading, and discrimination.

Do you disagree with that?

Mr. SHEPARD. Yes, sir; I decidedly do. I should like permission, if I may, to furnish a short brief in refuting that statement.

The CHAIRMAN. I think you should, because this bill that we have before us is the bill which was suggested to us by the Maritime Commission. These explanations included in the paper we have before us are the explanations provided by the Commission, and here this

definite charge is made that the present arrangement lends itself to secret rebates, trading and discrimination. So if you care to furnish it to us, we shall be glad to have your brief on that particular subject.

Mr. SHEPARD. Yes. I shall appreciate the opportunity to present it.

Senator THOMAS. Mr. Shepard, you made reference to section 4 of the Transportation Act. There is nothing in section 43 of this bill which would affect the law as it stands under section 4 today, is there?

Mr. SHEPARD. Section 4 is the part of the Transportation Act covering rail carriers. There is nothing in this bill that would have any effect on that.

Senator THOMAS. You used it, though, as a reference, did you not, in your argument?

Mr. SHEPARD. I referred to it to point out the necessity for minimum rate power in the case of the railroads, which necessity is absent in the case of water carriers.

The CHAIRMAN. For the benefit of the committee I wish to call attention to the Economic Survey of the American Merchant Marine, prepared by the United States Maritime Commission. It will be recalled that the chairman, Mr. Joseph P. Kennedy, in his letter of transmittal said:

It should be pointed out that Commissioner Moran feels that there should be no amendments to the 1936 act, as the Commission suggests in the survey, until it has had a longer period of experience in the administration of such act.

At the conclusion of the last hearing I wrote to Commissioner Moran, because I knew that several members of the committee were anxious to hear him, and I certainly have been anxious to hear him. The letter which I wrote to Commissioner Moran is as follows:

DECEMBER 8, 1937.

HON. EDWARD C. MORAN, JR.,
Commissioner, United States Maritime Commission,
Washington, D. C.

MY DEAR COMMISSIONER MORAN: This morning in making a statement to the Commerce Committee, Chairman Kennedy stated that you were not in full accord with the recommendations of the remaining members of the Board. Mr. Kennedy made a strong appeal for modification of existing law.

Naturally we are anxious to hear all sides of the question. We would be happy to have you express your views. Would it be agreeable to you to appear before the Commerce Committee on Friday morning of this week at 11 o'clock? If so, I shall notify them so all the members of the committee may be present.

With kind personal regards,
Cordially,

ROYAL S. COPELAND.

The reply from Commissioner Moran is as follows:

UNITED STATES MARITIME COMMISSION,
Washington, D. C., December 9, 1937.

HON. ROYAL S. COPELAND,
Chairman, Committee on Commerce, United States Senate,
Washington, D. C.

MY DEAR SENATOR: I appreciate your kindness and courtesy in extending to me an invitation, on behalf of the Committee on Commerce, United States Senate, to appear before your committee and express my views concerning the proposed amendments to the Merchant Marine Act, 1936.

The statement of Chairman Kennedy before your committee was full and complete, and was the result of a painstaking study of the shipping problem.

Since my views, generally speaking, are set forth in the Economic Survey of the American Merchant Marine and letter of transmittal submitted therewith, sent to Congress by the United States Maritime Commission, I feel there is

nothing further to add, and therefore I do not plan to accept your invitation to appear before your committee.

With kind personal regards, I remain,
Cordially yours,

EDWARD C. MORAN, Jr.,
Commissioner.

We came together this morning particularly to hear witnesses who care to speak regarding the labor recommendations to the Maritime Commission. I suggest that there be printed in the record at this point the pages from the Economic Survey of the American Merchant Marine, dealing with the subject, Labor, beginning at the bottom of page 43, where the statement is made that labor conditions are deplorable, and up to the subject of Training, but not including it, near the top of page 50.

(The matter referred to, being under the heading Labor, in the Economic Survey of the American Merchant Marine, prepared by the United States Maritime Commission, is printed in the record, as follows:)

LABOR

One of the most difficult problems with which the Commission is confronted today is that of seagoing personnel.

Labor conditions in the American merchant marine are deplorable. Unless something is done to reduce interunion friction, to increase the efficiency of our crews, and to restore order and discipline upon our ships, all Government efforts to develop a strong American fleet will be futile. A merchant marine built upon inadequate and unsatisfactory personnel is little better than no merchant marine at all.

Labor relations in the shipping industry have long been characterized by an unenlightened attitude on the part of both employer and employee. The employer, for his part, has in the past imposed long hours, low wages, and cramped quarters. The employee, meanwhile, has abused his employment in a manner that would not be tolerated in any other industry. The result of these things has been that shipping, despite the marvelous technical progress of the past century, has remained in a backward state so far as labor relations are concerned.

The Commission found, in approaching the labor problem, little information upon which to proceed. There are available practically no statistics relating to the employment of seamen on ocean-going vessels. The earnings of seamen, their conditions of labor, the average length of service, and similar matters affecting seafaring men seem to have been overlooked. The Commission was forced to undertake some rather unusual research in order to establish a proper basis for its study of the labor problem.

It was found, first off, that no one knew exactly how many men were employed on our subsidized vessels. The study revealed that there is a total of approximately 10,000 men employed on the 155 vessels now under subsidy contracts.

The next step, in the determination of conditions among seamen, was to inquire into wages and earnings. Although the Federal Government now publishes a table which compares American wages with those paid on foreign ships, these figures do not provide a proper comparison. For one thing, they are distorted by currency fluctuations; for another, they do not take into account subsistence, security, pensions, or the purchasing power of the seaman's wages in his home country. It was accordingly necessary to work up a mass of original data in order to arrive at a true conception of the conditions of American seamen, both as compared with foreign seamen and with domestic workers ashore.

To make up for statistical deficiencies, and to get the very latest information about American seamen, the Commission arranged with a private agency in New York to interview 1,000 men. Interviews were secured in various parts of the city to secure as large a spread as possible. The replies reveal some interesting facts about the men who man our vessels.

The men interviewed have been at sea anywhere from 1 month to 40 years. They come preponderantly from seaboard States. The majority are sailing in capacities below what they consider themselves qualified by experience and licensing to fill. Most of the men are single; practically none have bank accounts; few vote.

An interesting part of this study has to do with continuity of employment. Almost without exception the replies indicate an excessive turn-over. Although practically all of the men regard their occupation as permanent, few stay long on one vessel. Thus many seamen report 8 and 10 years of service, of which perhaps not more than 4 months have been spent on one ship or even in one line. The replies also reveal that even during prosperous times the men spend an average of several weeks a year "on the beach," or unemployed.

The only way to ascertain working conditions, it was decided, was to give the men an opportunity to lay their grievances before the Commission. Accordingly, hearings were held at various ports on the three coasts, at which representatives of both labor and employers appeared to discuss conditions aboard American vessels. The regional hearings were followed by a general hearing held in Washington. In all, 185 witnesses were heard.

In addition to holding hearings, members of the Commission went aboard more than 40 vessels in order to see for themselves the conditions under which our seamen were working. They found that in many cases the complaints of the men were justified. Quarters were found to be crowded, insanitary, and poorly ventilated. The result was a series of orders for the remodeling of crew quarters on subsidized vessels that should go a long way toward removing dissatisfaction with the living conditions aboard ship.

It must be recognized, of course, that it is exceedingly difficult and expensive to attempt to remodel old vessels to meet the needs of today. New vessels being designed by the Commission contain advanced accommodations, including a recreation room for the use of men on their watch below. Adequate messrooms also will be provided for all members of the crew, men will be berthed 3 and 4 to a room on cargo vessels and not more than 10 to a room on passenger ships. Improved heating and ventilating systems will be installed, decks and crew quarters will be covered with moisture-proof material, and bulkheads insulated. As a safety measure, the quarters will be placed aft of the collision bulkhead. These improvements will be incorporated in all new vessels and are being effected, so far as practicable, on existing vessels.

The Commission has also prescribed minimum-wage scales for subsidized ships and is preparing additional rules with regard to manning scales and working conditions. The Commission further has provided for vacations for both licensed and unlicensed personnel. In making its recommendations, the Commission has disclaimed any attempt to abridge the rights of employers and employees to establish higher wages, increased manning scales, and better working conditions by collective bargaining or otherwise. Spokesmen for the ship operators have agreed that minimum standards will not be regarded by them as maximum standards and that the employees' right of bargaining collectively will not be impaired by the Commission's action.

Despite the efforts made by the Commission to give American seamen on subsidized vessels superior working conditions and decent wages, there is little likelihood of an early solution of the serious labor situation with which we are confronted.

Conditions in the American merchant marine are disgraceful. Order and discipline have in many cases disappeared. Passengers complain of insolent treatment. Vessels have been delayed by the frequent use of the "sit down" and "quickie." Such conditions must be remedied and remedied forthwith. With conditions remaining as they are today it is only a question of time before disgusted shippers and worried travelers turn to the vessels of our competitors.

Shippers and travelers realize that disorderly vessels are likely to be unsafe vessels. Safety at sea is based upon order and discipline as much as, if not more than, the quality of equipment. "Personnel is to material," said the great Nelson, "as three is to one." The man with a rifle makes the army; good forecabin hands make the ship. The sea is no place for divided authority. When a man puts foot on the deck of a ship he becomes part of a disciplined organism subject to the navigation laws of the United States. Seamen must recognize that the nature of their calling, which gives them a unique status under the law, also imposes upon them obligations not common to shore occupations.

It should be admitted in any discussion of the labor problem that the shipowners themselves are in no small measure responsible for the present unfortunate situation. During the war thousands of fine young Americans were brought from every section of the country to man the vessels acquired by the Shipping Board. They learned quickly, demonstrating that American seamen, given decent working conditions and proper encouragement, are the equal of any. Then came the era of liquidation, when the Government began to withdraw from shipping. Lines were one by one discontinued or turned over to private enterprises. Wages fell and working conditions grew steadily worse until, at the depth of the depression,

some American seamen were receiving as little as \$25 a month, living under wretched conditions, eating unpalatable food, and working 12 hours or more a day.

The result of such conditions was bound to be disastrous. Many of our young men left the sea, never to return. Questionable elements filtered into the ranks of our seafarers. The men grew bitter and desperate. An explosion was bound to occur.

The shipping industry is now paying for its shortsightedness in repressing labor for so many years. Some of the operators who paid low wages during the depression were at the same time receiving substantial subsidies from the Government for the preservation of an American standard of living. By denying their employees the right to organize, shipowners created a condition favorable to un-American doctrine. For 11 years owners refused even to answer requests of their workers for collective agreements. When the seamen finally did organize and forced the owners to hear their demands, these demands were naturally distorted by the repressions of the preceding years.

Seamen and operator alike must not lose sight of the fact that shipping is primarily an international business. Losses incurred by domestic enterprise as a result of labor difficulties may be made up later. The situation with respect to shipping is vastly different. The business which American lines are unable to handle is likely to go to our foreign competitors. Some of it may be recovered, but much of it will never come back.

The present situation is complicated by conflicts now raging among different unions. The Commission has remained strictly neutral in these conflicts; it has not and will not assist any section of maritime labor at the expense of the others. The Commission's interest is to see that all of our seamen get a square deal and that factionalism between labor unions does not disrupt the country's attempt to rehabilitate our merchant marine.

If our attempt to rebuild American shipping is to succeed, the labor situation must be greatly improved. Order and discipline aboard American vessels must be restored; men must learn to abide by their articles, and to obey their officers. Officers must be mindful of their responsibilities. On passenger vessels there must be a new concept of service.

The shocking conditions now prevalent aboard our vessels have led to a variety of proposals for the adjudication of labor disputes in the shipping industry. Among these proposals is the suggestion that there be set up in the industry an agency similar to the National Maritime Board in England. That board has been singularly successful in settling disputes of British shipping for over 20 years. Although it is essentially a private agency, composed of representatives of the owners and the men, it has Government support. There has not been a serious disturbance in the British merchant marine since the Maritime Board was established.

It is obvious that, were such a plan adopted, it would mark a long step forward in having the "conference table replace the picket line." Any such method would, of course, have the wholehearted support of the Commission. However, the burden of establishing such a board rests upon the shipowners and the unions. The lack of united labor organizations, and the lack of understanding that now exists between the owners and the men, make the early creation of such a board unlikely.

For this reason, the Commission has concluded that the establishment of a mediation board similar to that provided in the Railway Labor Act is desirable at this time. The Railway Mediation Board has been conspicuously successful in minimizing labor strife in that field. Under the act, when a labor controversy arises, either or both of the parties may invoke the service of the Mediation Board, or the Board may proffer its services. In the event that mediation fails to produce an agreement, the act provides a method of arbitration which is, however, not compulsory. If the Board is successful in neither mediation nor arbitration, both parties are free to act. However, if the action of either party threatens to deprive the Nation of an essential service, the Board notifies the President of the United States, who may appoint a special fact-finding board. That board is required to investigate the dispute promptly and report to the President within 30 days. During this period, and for 30 days thereafter, the parties are forbidden to alter the employer-employee relationship by strike, lockout, or other action except by mutual agreement.

The experience of the railroad industry reveals that the technique employed—conferences and delay—is effective not only in eliminating the hasty acts which beget strikes but also in bringing about mutually satisfactory settlements.

In view of the pressing need for stable labor relations in the shipping industry, the Maritime Commission recommends the establishment by Congress of a mediation tribunal analogous to that now in use by the railroads, with such modifications as the different condition of the shipping industry may require. The purposes of this legislation should be:

1. To avoid interruption to water-borne commerce;
2. To provide for the prompt and orderly settlement of all disputes concerning rates of pay, rules, or working conditions; and
3. To provide for the prompt and orderly settlement of all disputes growing out of grievances or out of the interpretation or application of agreements covering rates of pay, rules, or working conditions.

Because of the importance to the national economy of uninterrupted water-borne commerce and because of the intimate relationship of stevedoring to merchant shipping, it is recommended that the jurisdiction of the proposed Mediation Board apply not only to disputes between operators and vessel personnel but also to disputes between operators and longshoremen.

It has been contended that such a board, to be successful, (1) should have the active support of, in fact be requested by, both employers and employees; and (2) should not be created until it can be based upon the existence of collective-bargaining agreements. While recognizing the force of these objections, the Commission feels that the present situation calls for immediate affirmative action. It is hoped that before the Mediation Board is established the collective bargaining which now exists to some extent may have become practically universal in the maritime industry, and that both the employers and employees in the industry, as was the case in the railroad industry, will give their unqualified support to the creation of such a board.

The Federal Government has vested the National Labor Relations Board with jurisdiction over questions of representation, collective bargaining, and the elimination of unfair labor practices. This makes unnecessary a grant of similar jurisdiction to the proposed tribunal.

The Commission wishes it to be clearly understood that it has no intention of interfering in any way with the orderly processes of collective bargaining; nor does the Commission have any desire to hinder the development of stable unionism in the industry. The Commission believes that the establishment of a mediation board would foster collective bargaining on a permanent basis and thereby serve the interests of employee, employer, and the general public.

Several bills providing for a mediation tribunal have already been introduced into Congress. They are similar in import and, generally speaking, in accordance with the views of the Commission.

A major factor in the present problem is the transient character of the seaman's employment. It does not require an extended argument to demonstrate that a business with the kaleidoscopic turnover characteristic of the shipping industry is bound to suffer from labor unrest.

It has long been the practice of the sea to sign workers on and off for each voyage. Whatever justification there may have been for this archaic system in the days of the sailing ship, when voyages were of much longer duration than at present, there seems to be no reason for its continuance. The task of maintaining orderly industrial relations in the maritime field will be considerably lightened even if a nucleus of the crew can be hired on a continuous basis. This arrangement need not involve additional expense to the operators and should be welcomed by the unions. The substitution of continuous employment for the present system should help materially in reducing the heavy labor turnover.

In furtherance of this plan there should be a revision of ship's articles. While these articles give the employer some measure of protection against desertions, and while they insure the men against dismissal in the course of the voyage, they amount to little, in the final analysis, beyond a periodic hiring and firing of the personnel. It is not surprising that the worker, under these conditions, should develop an indifferent attitude toward his job.

Continuous employment is the rule in most industries. It should be the rule for shipping.

The CHAIRMAN. I also ask that title X of the bill, which is the labor provision of the bill, beginning at page 33 of the bill, be printed in the record at this point.

(Title X of Senate bill 3078 is printed in the record, as follows:)

TITLE X

Sec. 1001. For the purposes of this title—

(a) The term "maritime employer" means any person not included in the term 'carrier' in title I of the Railway Labor Act who (1) is engaged in the transportation by water of passengers or property between the United States or any of its districts, Territories, or possessions and a foreign country, or engaged in the transportation by water of passengers or property on the high seas or the Great Lakes from one State, Territory, district, or possession of the United States, to any other State, Territory, district, or possession of the United States, (2) is engaged in towboat, barge, or lighterage service in connection with the transportation by water of passengers or property as set forth in clause (1) hereof, (3) operates or manages or controls the operation or management of any wharf or pier or any dock or any water space for the accommodation of vessels engaged in the transportation by water of passengers or property as set forth in clause (1) hereof, (4) is engaged in the business of loading or unloading vessels engaged in the transportation by water of passengers or property as set forth in clause (1) hereof, or (5) operates any equipment or facilities directly connected with the services set forth in clauses (1), (2), (3), and (4) hereof. The United States Maritime Commission is hereby authorized and directed, upon request of the Mediation Board, to determine, after investigation, whether any employer is a maritime employer within the meaning of this subsection.

(b) The term "employee" means any person who performs any work as an employee or subordinate official of any maritime employer subject to its authority to supervise and direct the manner of rendition of service when the duties assigned to or services rendered by such employee directly or indirectly, in any manner, affect, relate to, or are concerned with the transportation by water of passengers or property as set forth in clause (1) of subsection (a) of this section, or the furnishing of equipment and facilities therefor or services thereto as set forth in clauses (2), (3), (4), and (5) of subsection (a) of this section; it being intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement of passengers and property in the interstate and foreign commerce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption. The provisions of this title shall not apply to the master or members of the crew of any vessel not documented, registered, licensed, or enrolled under the laws of the United States. The United States Maritime Commission is hereby authorized and directed, upon request of the Mediation Board, to determine, after investigation, whether any person is an employee within the meaning of this subsection.

(c) The term "Railway Labor Act" means the Railway Labor Act, approved May 20, 1926, as amended.

(d) The term "Mediation Board" means the National Mediation Board created by the Railway Labor Act.

Sec. 1002. All provisions of title I of the Railway Labor Act with the exception of the provisions of section 2, paragraphs fourth, fifth, and ninth; section 3; and section 10 are extended to and shall cover every maritime employer and every employee of such maritime employer as they are defined in section 1102 hereof, in the same manner and to the same extent as though such maritime employers and their employees were specifically included within the definition of "carrier" and "employee" in section 1 thereof.

Sec. 1003. If any dispute shall arise among the employees of a maritime employer as to who are the representatives of such employees designated and authorized to act for them for the purposes of this title, it shall be the duty of the National Labor Relations Board, upon request of any party to the dispute, or the maritime employer, promptly to determine, in the same manner as provided in the National Labor Relations Act for the selection of representatives for the purposes of collective bargaining, and to certify to the parties and to the maritime employer in writing, the name or names of the individuals or organizations that have been designated and authorized to represent the employees involved in the dispute. Upon receipt of such certification the maritime employer shall treat with the representatives so certified as the representatives of such employees.

Sec. 1004. Disputes between a maritime employer or group of maritime employers and any of its or their employees growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, shall be handled in compliance with the provisions of any agreement

relating to the settlement of such disputes or in the usual manner up to and including the chief operating officer of the maritime employer designated to handle such disputes, but, failing to reach an adjustment in either manner, the disputes may be referred by petition of the parties or by either party to an appropriate adjustment board, as hereinafter provided, with a full statement of the facts and supporting data bearing upon the disputes.

It shall be the duty of every maritime employer and of its employees, acting through their representatives, to establish a board of adjustment with jurisdiction not exceeding the jurisdiction which may be lawfully exercised by system, group, or regional boards of adjustment, under the authority of section 3, title I, of the Railway Labor Act.

Sec. 1005 When, in the judgment of the Mediation Board, it shall be necessary to have a permanent national board of adjustment in order to provide for the prompt and orderly settlement of disputes between said maritime employers, or any of them, and its or their employees growing out of grievances, or out of the interpretation or application of agreements covering rates of pay, rules, or working conditions, the Mediation Board is hereby empowered and directed to establish a National Maritime Adjustment Board. Such Board shall be composed of such number of persons as the Mediation Board may determine, and its members shall be selected in the manner and by the procedure prescribed by section 3 of title I of the Railway Labor Act for the selection and designation of members of the National Railroad Adjustment Board. The National Maritime Adjustment Board shall meet within forty days after the date of the order of the Mediation Board directing the selection and designation of its members and shall organize and adopt rules for conducting its proceedings, in the manner prescribed in section 3 of title I of the Railway Labor Act. Vacancies in membership or office shall be filled, members shall be appointed in case of failure of the maritime employers or of labor organizations of the employees to select and designate representatives, members of the National Maritime Adjustment Board shall be compensated; hearings shall be held; findings and awards made, stated, served, and enforced; and the number and compensation of any necessary assistants shall be determined and the compensation of such employees shall be paid, all in the same manner and to the same extent as provided with reference to the National Railroad Adjustment Board by section 3 of title I of the Railway Labor Act. The powers and duties prescribed and established by the provisions of section 3 of title I of the said Act with reference to the National Railroad Adjustment Board and the several divisions thereof are hereby conferred upon and shall be exercised and performed in like manner and to the same extent by the National Maritime Adjustment Board with respect to maritime employers and their employees. From and after the organization of the National Maritime Adjustment Board if any board of adjustment established by any maritime employer or maritime employers and any class or classes of its or their employees is not satisfactory to either party thereto, the said party, upon ninety days' notice to the other party, may elect to come under the jurisdiction of the National Maritime Adjustment Board.

Sec. 1006 If a dispute between a maritime employer or employers and its or their employees is not adjusted under the provisions of this title, and if in the judgment of the Mediation Board such failure to adjust the dispute shall threaten substantially to interrupt the flow of domestic and foreign water-borne commerce to the detriment of the public interest or to deprive any section of the country of an essential water-borne transportation service, the Mediation Board shall immediately notify the United States Maritime Commission of such failure to adjust the dispute. The Maritime Commission may thereupon, in its discretion, create a board to investigate and report respecting such dispute. Such board shall be composed of such number of persons as to the Maritime Commission may seem desirable. *Provided, however,* That no member appointed shall be pecuniarily or otherwise interested in any organization of employees or any maritime employer. The compensation of the members of any such board shall be fixed by the Maritime Commission. Such board shall be created separately in each instance and it shall investigate promptly the facts as to the dispute and make a report thereon to the Maritime Commission within thirty days from the date of its creation.

There is hereby authorized to be appropriated such sums as may be necessary for the expenses of such board, including the compensation and the necessary traveling expenses and expenses actually incurred for subsistence, of the members of the board. All expenditures of the board shall be allowed and paid by the Maritime Commission on the presentation of itemized vouchers therefor approved by the chairman of such board.

After the creation of such board and for thirty days after such board has made its report to the Maritime Commission, no change, except by agreement of the parties, shall be made by the parties to the controversy in the conditions out of which the dispute arose.

Sec. 1007. Except as provided in this title with respect to maritime employers and their employees, nothing herein shall be construed to repeal or amend any provision of the National Labor Relations Act or to restrict the powers and duties conferred upon the National Labor Relations Board by said Act.

Sec. 1008. If any provision of this title or application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provisions to other persons or circumstances shall not be affected thereby.

Sec. 1009. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Mediation Board in carrying out the provisions of this title.

The CHAIRMAN. We have a witness from the National Labor Relations Board, being Mr. Madden, the chairman of the Board. The committee shall be glad to have a statement from you, Mr. Madden.

STATEMENT OF J. WARREN MADDEN, CHAIRMAN, NATIONAL LABOR RELATIONS BOARD

Mr. MADDEN. Mr. Chairman, and ladies and gentlemen of the committee: I may say that the observations which I am going to make about title X of Senate bill 3078 are also applicable to title X of House bill 8532, the Bland bill in the House.

Hon. Joseph P. Kennedy, Chairman of the United States Maritime Commission, in his statement before the Commerce Committee of the Senate on December 8 at the hearing on S. 3078, said:

Inasmuch as the National Labor Relations Board has already been granted jurisdiction over questions growing out of unfair labor practices, freedom of association, and representation for purposes of collective bargaining in the maritime industry, and has already begun to issue certificates of labor representation, it is felt that it would be unnecessary to grant similar jurisdiction to the National Mediation Board. If a dispute arises among the employees of a water carrier as to representatives, the services of the National Labor Relations Board may be invoked for the purpose of investigating the dispute and determining who should represent the employees. From that point forward, the principles of the Railway Labor Act, as amended, would appear to be well adapted for application to the shipping industry.

From the above it appears that the Maritime Commission does not intend that the act shall cover in any manner inconsistent with the provisions of the National Labor Relations Act, either (1) unfair labor practices or (2) questions concerning representation, or the manner of (1) preventing such unfair labor practices or (2) investigating questions concerning representation.

Certain provisions of the bills, however, are drafted so as very materially to deviate from the intention above expressed by Chairman Kennedy. This may be due to difficulties in drafting; but in any event certain provisions as now set forth should be changed.

Before taking up these provisions, it should be pointed out that in section 1001 (a) defining "maritime employer" and section 1001 (b) defining "employee," the labor provisions would be extended beyond what is considered the maritime industry. Thus, by section 1001 (a) clause (4), the term "maritime employer" would include any person "engaged in the business of loading or unloading vessels, engaged in the transportation by water of passengers or property as set forth in clause (1) hereof."

This brings under the act employers of longshoremen and other persons working on the docks. Clause (5) of the same section includes in the definition "maritime employer" any person who "operates any equipment or facilities directly connected with the service set forth in clauses (1), (2), (3), and (4) hereof" and is to be read in the light of the further language of section 1001 (b), in which it is stated that it is "intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement of passengers and property in the interstate and foreign commerce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption." The scope of the labor provisions of the bills is thus far very broad and not readily ascertainable. They would seem to include teamsters, bus drivers, and might well include warehousemen, as well as express services and other activities even more remote from the maritime industry.

The provisions of the bills would, as now drafted, conflict with the intention expressed by Chairman Kennedy and with the National Labor Relations Act.

The CHAIRMAN. Mr. Madden, are you going to point out at some time the specific language which in your opinion should be changed?

Mr. MADDEN. I think that will appear from my statement. We may desire to furnish you later perhaps with more specific language recommendations. But this statement will give you substantially the language changes which we think would cure the defects.

The CHAIRMAN. May I get your attitude? Am I to assume that you do not come here as antagonistic to the recommendation of the Maritime Commission, but that you have found ambiguities and so forth which in your opinion should be corrected?

Mr. MADDEN. That is exactly it. It seems to us that the bill as drafted does not carry out, or at least does not clearly carry out, the recommendation of the Maritime Commission in this respect.

The CHAIRMAN. And you, I hope, may help us to wipe out those ambiguities and to make the language to carry out exactly what the Maritime Commission has in mind.

Mr. MADDEN. We shall be very glad to do the very best we can.

The CHAIRMAN. Thank you.

Mr. MADDEN. Section 1002. This section includes by reference, among other things, section 2, paragraph third, of the Railway Labor Act. That paragraph provides as follows:

Third. Representatives for the purposes of this act shall be designated by the representative parties without interference, influence, or coercion by either party over the designation of representatives by the other; and neither party shall in any way interfere with, influence, or coerce the other in its choice of representatives. Representatives of employees for the purposes of this act need not be persons in the employ of the carrier, and no carrier shall, by interference, influence, or coercion seek in any manner to prevent the designation by its employees how their representatives of those who or which are not employees of the carrier

It is also quite possible that an interpretation of the sixth, seventh, and eighth paragraphs of section 2 of the Railway Labor Act might be arrived at under the bills which would conflict with the unfair labor practice set forth in section 8 (5) of the National Labor Relations Act.

Section 2, paragraph tenth, provides that—

The willful failure or refusal of any carrier, its officers or its agents, to comply with the terms of the third, fourth, fifth, seventh, or eighth paragraphs of this section shall be a misdemeanor—

and thereafter provision is made for the prosecution of such offenses in the district courts under the direction of the Attorney General.

It may be seen from the foregoing that the bills would include provisions paralleling the unfair labor practices 8 (1), (2), and (3), but does so in the form of the 1934 Railway Labor Act, rather than in the form of the 1935 Labor National Relations Act; and would include provision for the enforcement of these unfair labor practices by the criminal processes of the district courts of the United States, rather than by the carefully devised administrative and court procedure of the National Labor Relations Act. It clearly appeared to Congress when the National Labor Relations Act was enacted for the maritime and other industries, that the definition of unfair labor practices, and the method of preventing them, set forth therein was more appropriate than the method set forth in the Railway Labor Act. There is no experience in the maritime industry since the enactment of the National Labor Relations Act which warrants any different conclusion now.

The railroad industry had gone through long experience in these matters, and was accustomed to the rights of employees set forth in that act. This is by no means true at this time in the maritime industry or in industries generally other than the railroads; so that there would seem no reason to single out the maritime industry as one in which the procedure of the National Labor Relations Act should be supplanted insofar as unfair labor practices are concerned by the criminal process of the district court, or by definition of those unfair labor practices in any manner different from those applicable to industry generally as set forth in the National Labor Relations Act. In the first place, complaints would have to be placed with the district attorneys instead of with the Labor Board, experienced in the particular problem and constantly building up a consistent body of labor law in this regard. In the second place, the issues of fact would be left to a jury instead of, in the first instance, to the administrative body, subject to review by the circuit courts of appeals on the record made before the administrative body. This would bring about a situation where unfair labor practices prohibited with respect to industry generally are being prevented under a line of decisions going up through the Labor Board to the circuit courts of appeals, and a separate and perhaps divergent line of cases would be going up with respect to the maritime industry through verdicts of juries in the district courts. Since there is now actively functioning under a constitutional statute, under a procedure which has resisted all legal assaults and has been approved by the Supreme Court, the National Labor Relations Board, preventing those unfair labor practices which it must be assumed Congress also desires to have prevented in the maritime industry, it would only lead to confusion, uncertainty, and unnecessary duplication of administrative and judicial effort, to set out the unfair labor practices in the maritime industry, over which the Board has jurisdiction, for separate treatment under a system different from that applicable to industry generally.

It may also be added that such matters as interference with self-organization, the company union, discrimination with regard to union organization, and with respect to hire or tenure of employment, are matters better left to the national agency now validly functioning and tied in with the circuit courts of appeals of the United States, rather than to the probable divergencies of jury trials in the district courts throughout the United States.

From the foregoing discussion the conclusion is reached that in addition to those paragraphs of section 2 of the Railway Labor Act (fourth, fifth, and ninth) which are now excluded from section 1002 of the bills, there should also be excluded paragraph third of section 2 of the Railway Labor Act.

It appears that in section 1002, page 35, line 15 in S. 3078, and page 10, line 15 in H. R. 8532, the numeral 1102 is a mistake and should be 1001.

The CHAIRMAN. That is on page 35, line 15.

Mr. MADDEN. Yes.

Section 1003: This section of the bills provides for invoking the services of the National Labor Relations Board in determining questions of representation of maritime employees. In so doing, however, the section materially changes the existing procedure of the Board under the National Labor Relations Act. In the first place, by line 22, page 10 of H. R. 8532 and line 22, page 35 of S. 3078, it is provided that "it shall be the duty" of the National Labor Relations Board upon request of any party to a dispute concerning representation to determine the question and to certify the results of its determination. In so providing the bills deny to the Board that discretion which is presently lodged with it under the National Labor Relations Act as to whether such an investigation is proper and necessary.

The second basic change made by the bills in respect to the Board procedure for investigating and determining questions of representations lies in the fact that the bills provide for mandatory action by the Board at the request of the maritime employer as well as by an employee party to a dispute over such representation. Again, it is questionable whether under this section as now drafted in the bills, the National Labor Relations Board in conducting an investigation into a question of representation would not be bound to include in any ballot a company union regardless of how far that company union may have been the result of unlawful interference and domination by the employer.

The present provisions and machinery for the holding of elections or otherwise designating representatives under the National Labor Relations Act has been found currently satisfactory in the maritime industry. The Board has held scores of elections in the maritime industry and is currently engaged in the most elaborate elections ever held in industry in the United States, encompassing some 80 shipping lines on the east and Gulf coasts. The experience of the Board in the last 2 years in the maritime industry itself as to the feasibility and practicability of the provisions of the act with respect to representation indicates that it would be unwarranted and risky to change those provisions now.

Sections 1004, 1005, and 1006: Section 1004 provides that "disputes" growing out of "grievances" shall be handled in compliance with the provisions of any agreement, and so forth, or under the special adjustment machinery set up in subsequent sections of the bills.

Section 1005 provides that when a permanent National Board of Adjustment is necessary for the settlement of "disputes" growing out of "grievances" the Mediation Board is empowered to establish the National Maritime Adjustment Board to meet and make findings and awards.

Section 1006 provides that if a "dispute" is not adjusted by use of the Adjustment Board machinery, further special agencies may be set up for the investigation of such "disputes."

In order that it may be clear that the disputes and grievances referred to in these sections and by these sections required to be adjusted as provided for therein are not those concerning the basic rights of employees guaranteed by the National Labor Relations Act, a provision should be placed in the bills that nothing contained in these sections with respect to the settlement of disputes and grievances shall affect the unfair labor practices provisions of the National Labor Relations Act or the right of maritime employees to resort thereto. To completely effectuate this object and to carry out the intention of Chairman Kennedy, the first clause of section 1007, appear at lines 12 to 16, page 15 of H. R. 8532 and lines 12 to 17, page 40 of S. 3782 should be stricken. These last changes in the bills seem essential in order that employees in the maritime industry may not be denied the rights and remedies granted employees generally by the National Labor Relations Act and therein guaranteed to them as legally fixed statutory rights.

The CHAIRMAN. Mr. Madden, is there any conflict between the national labor relations law and the railroad mediation law? Are there conflicts between the two at present?

Mr. MADDEN. The National Labor Relations Act expressly exempts the railroad industry from its operation, so that the act does not touch the railroads, and the Board has nothing to do with railroad labor. So there is not any problem there such as there would be here, of having one statute and one board do part of the work, and another statute with another board to do the rest of it.

The CHAIRMAN. They are not "on all fours"?

Mr. MADDEN. No. They are not. This is perhaps the most vital difference. In the Railway Labor Act the unfair labor practices, such as interference by the employer with the selection of representatives by employees, discrimination with reference to hire and tenure of employment, are simply stated in the act as misdemeanors. And if the employer does these things to an employee, the employee must go to the district attorney and get the prosecution conducted under the regular facilities of the Department of Justice and the criminal courts. In the National Labor Relations Act the procedure is the administrative procedure under the Board; that is, the Board investigates and initiates a proceeding. The decision is made by the Board, subject to review by the circuit court of appeals of the United States. The consequence is that instead of the employer paying a fine or going to jail, as he might under the provisions of the Railway Labor Act, if he is found guilty he is ordered by the Board to cease and desist doing these things any more, and perhaps to make reparation in the way of paying back wages to the victim of the unfair labor practices.

But the two approaches are quite essentially different in that respect. As we say in the statement, it would seem that the Congress in enacting the latter legislation, namely, the National Labor

Relations Act, definitely preferred the administrative procedure to the more old-fashioned definition of a crime and vindication of it in the criminal courts.

The CHAIRMAN. Mr. Madden, suppose this title X were enacted as it is, would it give the National Mediation Board more power over maritime labor than it now has over railroad labor?

Mr. MADDEN. No. I suppose it would give it definitely less power, because the statute, even as now drafted, certainly saves to the National Labor Relations Board a good deal of power. The objective is really an objective to the ambiguity and possible conflict, and to the overlapping which might occur under the bill as now drafted. Apparently what the Maritime Commission intended was that the National Labor Relations Act should apply, and that the Board should still see to it that these unfair labor practices do not occur in the maritime industry, and would still see to the selection of representatives by employees in the maritime industry. From that point on the matter of the mediation of disputes relating to wages and hours and working conditions, and the machinery for the settlement of those disputes, would be in the other Board.

The CHAIRMAN. It is the understanding of the Senate that in the consideration of the labor features of this bill before us there shall be a joint hearing by the Committee on Education and Labor as well as the Commerce Committee. I may ask the distinguished chairman of the Committee on Education and Labor, the Senator from Utah [Mr. Thomas], if he has any questions to ask Mr. Madden?

Senator THOMAS. I merely have this suggestion, Mr. Chairman, that Mr. Madden draw up suggested amendments consistent with the testimony which he has given here, for our consideration, if that is agreeable to him and to the chairman.

The CHAIRMAN. I should like that very much. I wish he would take the bill as is and make his suggested changes in such a way that we can understand what his criticisms are and what his suggestions are. Is that what you had in mind, Senator?

Senator THOMAS. Yes; so we would have it in black and white.

Mr. MADDEN. I shall be very glad to do that.

Senator THOMAS. The more we bring these various acts into harmony, as you have stated, Mr. Madden, the less likelihood there is of the occurrence of disputes between conflicting jurisdictions, which of course always results in confusion when troubles of that kind occur.

Mr. MADDEN. Yes. Certainly whatever is done with it should be done so clearly that nobody can say that one board is trespassing upon the other board's jurisdiction or going into the other board's field.

Senator THOMAS. That is correct.

Senator VANDENBERG. Do I understand, Mr. Madden, that with the ambiguities eliminated you favor the general principle of applying the railway mediation theory to the maritime situation?

Mr. MADDEN. Senator, I am hardly prepared to speak on that. Frankly I think there are grave differences between the maritime situation, where unionization is fairly new and where there are still a number of unfair labor practices going on, and where there is a definite split in the labor movement itself with reference to the unions which should predominate there. I feel sure that the stabilized condition which existed in the railways and among railway labor at the time this legislation went into effect there, with unions old and experienced

and disciplined, does not at all exist in the maritime industry, and I think that the most that one can say is this—that the conditions are so essentially different that one could not be sure that the same machinery which works well in the railroad industry would also work well in the maritime industry.

Do let me insist that I am no expert on that. That is simply my own thought, based upon conditions which I suppose are just as obvious to you gentlemen as they are to me.

Senator VANDENBERG. Might not the absence of these stabilizing factors be more of a reason rather than less for mediation legislation?

Mr. MADDEN. Certainly no one could have any objection to mediation as such. I mean there ought to be more and better mediation, the provisions for set waiting periods and that sort of thing. It may well be that the companies are not disciplined to that kind of thing, and that the men are not disciplined to that kind of thing, and that there would be some stress and strain there which perhaps would be unexpected.

The CHAIRMAN. It has been pointed out here by Mr. Kennedy and others that unless there can be some adjustment in settlement of the labor conditions on the sea, that the contemplated program of rehabilitating the merchant marine will be defeated. Does not that fact, if it is a fact, mean that so far as we can we should go forward with some program to hasten that stability?

Mr. MADDEN. There cannot be any question about that, Senator, that anything that can practically be done ought to be done. I do not know what alternative there is before you. I understand that in some places, by voluntary agreement of the employers and the unions, port committees have been set up which deal promptly and quite satisfactorily with these irritations which sometimes result in grave troubles. I think it always true that if you get your arbitration by the voluntary agreement of the parties it will be better received than it will if it is imposed upon the parties by the Government. In other words, if these unions should themselves set up port committees promptly to investigate current grievances you would get quicker action than you could possibly get out of any governmental machinery, and the employees having themselves had a part in the set-up of these committees could not possibly have any kick coming as to the treatment they got under them.

It is the same old problem, I suppose, of not having any more government than you need to get the job done.

The CHAIRMAN. Senator Guffey has pending in the Committee on Education and Labor, what I am told is a very interesting bill relating to labor relations. You must have some idea, Senator Guffey, that you wish to develop.

Senator GUFFEY. Have you had a chance, Mr. Madden, to study and analyze that bill as cleverly and ably as you have analyzed the recommendations of the Maritime Commission?

Mr. MADDEN. Was that the bill, Senator, that was proposed last year?

Senator GUFFEY. Yes; but the committee print is now before the committee.

Mr. MADDEN. I do not know those changes, Senator. We had your bill before us last year, and we did make some study of it, and, as I recall, we made an analysis of it.

Senator GUFFEY. If you are furnished with copies of the bill, as amended, will you have an analysis made together with your criticisms of the bill?

Mr. MADDEN. I shall be glad to.

Senator GUFFEY. That is all I wanted, Mr. Chairman.

The CHAIRMAN. We thank you, Mr. Madden.

The next witness is Mr. Joseph Curran, of the New York Maritime Council.

**STATEMENT OF JOSEPH CURRAN, NEW YORK MARITIME COUNCIL,
ACTING PRESIDENT OF THE NATIONAL MARITIME UNION**

The CHAIRMAN. Mr. Curran, will you state your name for the record?

Mr. CURRAN. Joseph Curran. I am acting president of the National Maritime Union.

The CHAIRMAN. What have you to say about the bill, Mr. Curran?

Mr. CURRAN. I wish to make a statement on the bill as it deals with labor and other provisions. What I have to say in the statement which I shall make represents the views of the National Maritime Union, the Masters, Mates and Pilots Union, the Industrial Shipyard Workers, the Marine Cooks and Stewards Union of the Pacific Coast, Marine Fireman and Oil Tenders Union of the Pacific Coast. After making a careful analysis of the bill we prepared a statement.

When it was first rumored that the Congress and the shipowners were preparing coercive legislation for the marine unions, we predicted that its introduction at this session of Congress would be used by the shipowners as an excuse for delaying or breaking off contract negotiations.

That prediction, we see now, was correct. On December 2, the day on which hearings on one of the bills started, the American Radio Telegraphists Association, one of our component organizations, received the following letter from the Moore & McCormack Steamship Co.:

MOORE & McCORMACK CO., INC.,
New York City, December 1, 1937.

Mr. MORT BOROW,
Secretary American Radio Telegraphists Association,
New York, N. Y.

DEAR SIR: Thanks for your valued letter of November 26. The difficulties delaying our negotiation of various labor agreements, of which yours is only one, has nothing to do with the question of such agreements which in our opinion is largely determined by the law. The matter under investigation has to do with policies quite independent of the labor question.

As you may know the American Scantic Line has been for a number of years a Government subsidized line. Also, as you may have observed from the Maritime Commission's report dated November 10, 1937, the future of this line is in considerable doubt. The matter is receiving our full attention, as well as a great deal of attention from the authorities in Washington. We hope to have these matters of policy determined in the near future when it will be possible to come to some conclusions as to our labor situation.

Yours faithfully,

MOORE & McCORMACK, INC.,
ROBERT L. LEE,
Vice President.

The negotiations now being carried on with several steamship companies by the National Maritime Union are based on a standard contract which has already been signed by 11 lines. Attempts to

delay these negotiations serve further to bear out our prediction. It is becoming increasingly clear that certain shipping interests, failing to coerce us by the exercise of their economic strength, are resorting to legislation.

Recently, R. J. Baker, president of the American Steamship Owners' Association, stated publicly that he was preparing to invite another one of our organizations, the National Maritime Union, to confer with a committee from the association on a "standard form of labor agreement" for all the lines and the unions. The National Maritime Union never received that invitation. Later the National Maritime Union district committee wrote to Mr. Baker, offering to accept the invitation in advance. The letter was never answered.

The union pointed out at that time that there was already a standard form of contract in existence, that it had been signed by 11 companies, that it was the basis of negotiations then going on between the N. M. U. and 8 other companies, and that the union would be glad to submit a copy of it to Mr. Baker.

Compulsory arbitration: One of the provisions in the proposed legislation is to create machinery similar to the Railway Mediation Board for the shipping industry. Such an extension would do two things. It would provide the machinery for mediation and would limit the union's right to strike in its own defense. Since mediation machinery has already been set up in the contracts being signed by most of our unions, it is clear that the only provision that the employers are interested in is the one limiting the union's right to strike.

You all know what this means. Labor knows what this means and the people of the United States know what this means. It is the first step in a general drive for coercive legislation against labor in this country. In our opinion, such coercion would not represent the will of the people, and will, in fact, be resisted by them.

If the shipowners and the congressional sponsors of the legislation are genuinely interested in the mediation of disputes arising out of contracts, why do they not cooperate with the unions in setting up "port committees" for that purpose? In our opinion, they are not genuinely interested in mediation. They are interested in limiting, by legislation if necessary, the union's right to act in its own defense. Their anxiety to take over the 6-month strike ban of the Railway Mediation Board, in our opinion, proves that. The union, during such a period, is forced to endure the conditions which are forcing the strike helpless to correct them. The companies, on the other hand have a 6 months' period in which to prepare for a strike—a period which practical people can hardly expect them to use for anything else.

In the contracts which the National Maritime Union has recently signed with 11 companies and in the contracts now being negotiated there is a clause providing for arbitration of disputes as follows [reading]:

Upon written notice by either the company or the union that any dispute cannot be adjusted by their respective representatives, such dispute shall be referred for final adjustment to a port committee composed of seven persons, three of whom shall be appointed by the company and three by the union, within 24 hours after receipt of such notice. The six members so appointed shall meet within 24 hours after their appointment, at a time and place suitable to the company and the union, and at that meeting shall select the seventh member of the committee. If they cannot agree on the seventh member, such member shall be designated by the American Arbitration Association of 8 West Fortyeth Street, New York City.

The port committee shall render a decision within 72 hours after the appointment of the seventh member, Sundays and holidays included, and the committee's decision or that of any four of the members of the committee shall be final and binding on the company and the union. The company and the union shall bear the expenses of their respective appointees to the port committee, but shall share equally the expenses of the seventh member of the committee.

We hold that the machinery being set up in these contracts is sufficient for the just settlement of any dispute that may arise. We feel that if the shipowners are acting in good faith, they will be willing to accept such a clause. If they are not, we do not think it the duty of this committee or of the Congress of the United States to give them aid and comfort. We don't believe that such a course would reflect the sentiments of the majority of the American people—who, as has been shown time and time again, are opposed to compulsory arbitration.

That the seamen are in favor of such machinery is evident, both from the wires we have received from ships' crews and from the overwhelming victories the National Maritime Union is winning on the steamship lines. The vote for the N. M. U. in the 18 elections held so far is 6,741 as against 1,053 for the disappearing International Seamen's Union. What better evidence can there be that the seamen want their own union and want to deal with the steamship owners through their chosen representatives?

It should be noted, we think, that the pressure for coercive legislation is not coming from those steamship companies who have shown a willingness to deal with the seamen on an organized basis. It is coming from those shipping interests who have resisted us at every turn, who have used every means at their command of stifling our desire for organization and for harmonious relations.

The seamen want peace. They want decent wages and working conditions. Their only tool for achieving these things is organization. If you take that away, you will be taking away the one thing that is, at the moment, as important to the seamen as their bread and butter. In our opinion, they will never consent to it. They will resist it by every democratic means at their disposal. We believe that other trade unions will resist it also—in fact, the whole American labor movement. The workers know what these bills will mean to them. It will mean the beginning of the end of their organizational rights.

On the question of training ships: We are not against the establishment of training ships. In fact, we are in favor of them—under certain conditions.

It is perhaps not wholly untrue that there are some boys and young men employed on ships who have not had the training which we feel they should have. If it is true, we believe the reason is not far to seek. During the marine strikes of 1936-37, the shipowners themselves, in collaboration with certain discredited officials of the then International Seamen's Union, scoured the inland towns and farms for young men and boys with whom to man their ships. These people were given all sorts of seamen's and lifeboat certificates and placed aboard large passenger ships without warning to the traveling public. In the time that has elapsed since then these men have received some training from union members sailing the ships and, in most instances, are becoming competent seamen.

That a period of training for boys interested in the sea as a trade and a profession would benefit the merchant marine, we do not doubt. The unions, as the entities best fitted to give this training, are quite

willing to cooperate with the Government of the United States in the establishment of schools.

Therefore, we suggest, first, that such training be conducted under the supervision of a board representative of the Maritime Commission and the unions involved.

Second, that among the candidates for such training, preference be given to those seamen who, at the present time, do not meet the standards demanded by the present law.

Third, that training ships be established on the Atlantic, Pacific, and Gulf coasts and in the Great Lakes.

Fourth, that these ships be provided with all the facilities necessary for the practical training of efficient seamen as well as for the higher theoretical training necessary for the licensed crafts.

Fifth, that students taken from the ranks of working seamen be paid the prevailing wages for their craft for the period of training.

Sixth, that new students, those without any experience whatsoever, be paid the wages now paid to cadets or to similar grade for their department.

Seventh, that after 6 months' training, students be eligible for employment in the merchant marine in the beginning grade for the department in which they are training.

Eighth, that all instructors be taken from the ranks of bona fide maritime unions and that they shall be paid the prevailing wage for the highest grade of work for which they are qualified aboard ship.

Such a program would, in our opinion, meet all the requirements for efficient, effective training ships.

We cannot stress too strongly our opposition to the setting up of training ships under the supervision of the Coast Guard or any other branch of the armed forces of our country. That opposition is based on the following reasons:

First, the duties of the Coast Guard are pretty well fixed at the present time, and we feel that an extension of those duties to include the training of merchant seamen would violate the intention of Congress in establishing and maintaining that branch of the service.

Second, few, if any, Coast Guard men have served in merchant marine. We feel that they are not as qualified as our people for instructing students.

Third, the antilabor philosophy of certain branches of the armed services is well known. American merchant seamen would look with the utmost suspicion on the type of instruction that prospective seamen would be bound to get in a school staffed by the military.

With respect to the shipyard workers affiliated with the marine unions, they wish to protest against any legislation which would permit shipowners to accept Government subsidies to build ships in foreign yards. We do not believe that such legislation would meet with the approval of the American people—the people who put up the money for subsidies. In this time of business recession such legislation would be thoroughly inconsistent with the principles on which the present administration presented its case to the voting public in the 1936 elections. In those elections the American people endorsed the administration's policies by overwhelming majorities. These bills, in our opinion, violate the spirit of those policies. The people of the United States cannot and will not, we believe, endorse any such

legislation which permits Government subsidizing of foreign shipyards—which is what these bills provide.

More than 100,000 workers have been laid off in the steel industry in the past 2 months. Workers in contributing industries are being laid off in additional thousands. American workmen need this construction work. American business needs it. Even if the money going into this construction were from private funds, from private capital, it would be unpatriotic to send it to foreign yards. But with the money coming from the Public Treasury, it is unthinkable that Congress can approve such legislation.

As to subsidized salaries: These measures also provide that the Maritime Commission can, in its discretion, lift the restrictions on shipping officials' salaries in subsidized lines. This, too, is unthinkable, in our opinion. At the present time, the limit for these salaries is \$25,000. That is high enough. If a company official in a "sick industry" cannot feed and clothe himself on \$25,000 a year, then we feel that he belongs in some other industry. We are told that the shipping companies are interested in building up an American merchant marine. If that is so, if they are sincerely interested in such an enterprise, it is our opinion that the services of their officials can be purchased for \$25,000 a year—a salary greatly in excess of those paid to Members of the Congress of the United States. The highest paid officer in the American Navy struggles along on less.

It is significant, we believe, that the companies which are most vociferous in demanding the lifting of this restriction are among those who are most adamant in refusing living wages to the seamen in their employ. The very men who cannot keep body and soul together on \$25,000 a year consider \$70 a month adequate for seamen. The men who must have luxurious homes in various parts of the country insist that the crew's quarters on their ships, described by the Maritime Commission as outrageous, are perfectly in keeping with the American tradition. We say that isn't so. Crews' quarters at present, whether in keeping with the American tradition or not, are inadequate for the people manning American ships, and we insist that they be improved before the restrictions on \$25,000 salaries be lifted. The American people, least of all the seamen, will never consent to it, otherwise.

The CHAIRMAN. Since Mr. Curran has touched on the training situation, I should like to have the record include what the report of the United States Maritime Commission, entitled "Economic Survey of the American Merchant Marine," has to say under the heading of "Training" beginning at page 50, of that report.

(The portion of Economic Survey of American Merchant Marine beginning with Training, on p. 50, and continuing through the conclusion of that subject on p. 52, is to be made a part of the record at this point.)

TRAINING

The Commission, in its study of the labor problem, has also gone carefully into the question of sea training. The United States is the only major power which does not have extensive facilities for training young men for a career in the merchant marine. Four of the States maintain schools for the training of officers, but there is no provision at present for the training of unlicensed personnel.

The declaration of policy of the Merchant Marine Act of 1936 states that the United States "shall have a merchant marine * * * manned with a trained and efficient citizen personnel." Similar declarations appear in the Shipping Act, 1916, and the Merchant Marine Acts of 1920 and 1928. A Sea Training

Bureau was established in 1917 under the 1916 act. Congress ratified the creation of the service, in effect by providing specific appropriations in 1918 and in 1919. It appears, therefore, that there is legal authority for the creation of a system of sea training and the Commission is convinced that the United States Government should undertake this function.

A plan accordingly is being considered for the training of 500 young men under supervision of the United States Coast Guard.

It has been proposed that the Commission set up a shore base on Hoffman and Swinburne Islands in New York Harbor. These islands are under the control of the Treasury Department, which has agreed not to dispose of them until the Commission determines whether or not it desires to make use of them. The islands were formerly used by the Quarantine Service, but have not been in use for some years. Hoffman Island has 15 buildings on it which are in exceptionally good condition. The buildings are easily adaptable for living and training purposes. Swinburne Island is located a short distance from Hoffman Island and would be a helpful adjunct to the main training station. The Commandant of the Coast Guard and his aides have inspected this property, consider it suitable for the purpose, and are willing to undertake the work.

Students for the courses of training would be recruited from all sections of the country. They would be American citizens between the ages of 18 and 23, unless the age limitations were subsequently changed, and would be enlisted for a period of 1 year. In cases where a recruit showed aptitude for further specialized training, and enlistment for an additional year's training could be permitted.

The training would cover approximately 3 months at the shore training station on Hoffman Island; 6 months on a training merchant vessel; and 3 months on a cruising cutter of the Coast Guard. Estimates submitted by the Coast Guard indicate that the cost of training 500 recruits would be \$1,443 per man, or a total of \$721,418 for the year. This would cover all costs except the expense of rehabilitating Hoffman Island, estimated at \$100,000; the reconditioning of a Coast Guard patrol boat, estimated at \$40,000, original outfit, estimated at \$40,000; and reconditioning of one of the vessels owned by the Commission, to accommodate recruits and crew, estimated to cost \$465,000. The total outlay by the Commission for the first year would therefore amount to \$1,356,419.

The Commission has also gone into the subject of training in sail, as is done by many foreign nations. It is believed that, for the present at least, such training should be confined to a sailing vessel to be attached to a shore base. James A. Farrell, owner of the full-rigged ship *Tusculum*, has offered to give this vessel to the Commission for use as a training ship. It is recommended that Mr. Farrell's offer be accepted.

It has been suggested that organized labor might oppose the inauguration of such a program. The Commission does not believe that labor would oppose any reasonable plan for raising the standards of its craft. Under this program the number of men to be introduced into the merchant service, with allowance for failures and withdrawals, probably would not exceed 400 a year. This small number, it is believed, is but a fraction of the normal replacement requirements of our seagoing vessels. The graduates of sea-training systems abroad—notably in England, where the so-called closed shop prevails—have no difficulty in securing places aboard ship. The unions accept these young men as members and welcome their wholesome influence in the ranks of seagoing workers.

The Commission also has been giving consideration to the advisability of establishing a national merchant marine academy for the training of officers. Schoolships maintained by the States of Massachusetts, New York, Pennsylvania, and California now offer such training. There are many who believe that the training of officers is properly a Federal and not a State function. This work, it is maintained, could be done to much better advantage, and probably at less cost, by a national academy that would partake of the nature of the Army's West Point, the Navy's Annapolis, and the Coast Guard's New London. Possibly the existing system of State schools could be strengthened by Federal grants to those States now maintaining such a service. The Commission is making a study of the matter preliminary to a report to the Congress.

The Commission has given consideration to a more comprehensive program affecting the existing personnel. It has considered the establishment of a maritime service, which members of the existing personnel of the American merchant marine could join after having successfully completed a course of training. Under the proposed plan, the enrollment would involve no element of compulsion; men would be encouraged to join by the payment of at least 1 month's pay per year to those enrolled in the service, as well as payment during the period of training.

The Coast Guard has consented to assume the task of conducting any such training course which might be established. The whole objective of such a program would be to raise the caliber of our marine personnel. It is believed that with an improvement in working conditions, and assuming that labor relations will be established on a harmonious basis, there is every reason to expect that a high type of personnel drawn from all sections of the country can be attracted to our merchant marine.

The Commission is of the opinion that such a program should not be undertaken, however, until there has been further opportunity for study.

The CHAIRMAN. Are there any questions?

Senator VANDENBERG. I am very much interested in the voluntary mediation contracts, which you spoke of, and agree with you that if they can be made voluntarily it is far more preferable. For my information, will you tell me how one of those contracts works in respect, let us say, to a dispute which arises on a ship at sea?

Mr. CURRAN. The instructions are very clear as to the matter of a dispute arising on a ship at sea. Any dispute arising at sea is to be held in abeyance pending arrival in the home port, where the dispute can be adjudicated. At sea, the authority of the master is to be preserved in all respects.

Senator VANDENBERG. That is certainly adequate and satisfactory if it works. Does it work?

Mr. CURRAN. It has worked, and it is working now.

If I may quote from the labor statistics report of the past month or so, there have not been any strikes or any disputes of any nature in the merchant marine field.

Senator VANDENBERG. You are undoubtedly familiar with many of the stories we have heard in recent months and years about insubordination at sea. Is there any justification for those tales? I know that is a rather curious question to ask you, for I cannot identify the incidents I am talking about.

Mr. CURRAN. I think that is very curious, and I think it calls for an answer that I am not especially in a position to give. I do not believe I could satisfactorily cover the disputes that have occurred in the past years. I can say that in the past few months, since we have been able to go through with our elections before the National Labor Relations Board and enter into negotiations for agreements, we have experienced less and less difficulty in adjudicating labor disputes. In fact, we have had no difficulty whatsoever in the past few months.

If we are allowed to continue along those lines, there will not be any disputes. The National Labor Relations Board is very ably handling all the disputes that occur.

Senator VANDENBERG. The jurisdiction of the National Labor Relations Board is confined, is it not, to the matter of elections? It cannot mediate subsequently, can it?

Mr. CURRAN. Where unfair labor practices are apparent, where we have complaint of discrimination, those complaints have been filed with the Board. The Board takes action on those complaints and holds hearings on them, and we abide by the results of those decisions of the Board.

Senator VANDENBERG. I think, Mr. Chairman, that it is impossible for Mr. Curran or for me to ask any specific questions regarding this problem about which there is so much controversy, but I think it would be fine if Mr. Curran could return again after, perhaps, some of this other information has been developed.

The CHAIRMAN. I think that is satisfactory.

Mr. CURRAN. I should like to say, too, that we agree wholeheartedly with the statement made by the chairman of the National Labor Relations Board here. We feel that the Maritime Commission recommendations did not in any way intend that the powers of the National Labor Relations Act should be curtailed in the jurisdiction of labor disputes.

The CHAIRMAN. If you will refer to the bill S. 3078, at page 36, beginning at line 9, you will see the following:

SEC. 1004. Disputes between a maritime employer or group of maritime employers and any of its or their employees growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, shall be handled in compliance with the provisions of any agreement relating to the settlement of such disputes or in the usual manner up to and including the chief operating officer of the maritime employer designated to handle such disputes; but, failing to reach an adjustment in either manner, the disputes may be referred by petition of the parties or by either party to an appropriate adjustment board, as hereinafter provided, with a full statement of the facts and supporting data bearing upon the disputes.

Does not that contemplate that such voluntary agreements as have made shall be given consideration?

Mr. CURRAN. No; I am afraid that it does not. I am afraid that the continuity of the bill detracts from any possibility that it may have. This deals very clearly in disputes growing out of grievances and states that they shall be handled in the usual manner. The usual manner is that the chief operating officer of the maritime employer attempts to adjudicate the dispute with the employee. Failing in that, according to the rest of the bill, it will move on to the Mediation Board or to the National Adjustment Board, so I do not think it covers that at all. It is something that has been done over a period of years. Where a small dispute occurred, we attempted to adjudicate it first with the officers of the company or with the officers of the vessel.

The CHAIRMAN. It would seem to me as I read this—I did not write it—that it is very definite, in lines 13, 14, and 15, that these disputes shall be handled in compliance with the provisions of any agreement relating to the settlement of such disputes or in the usual manner.

Mr. CURRAN. The question arising there would be an interpretation of the usual manner. The employee always has the right to go to a superior officer and complain of conditions or of whatever may be wrong. Then, if the official just above cannot adjudicate it, they move on to another official in the company. Nine times out of ten the employee ends up on the blacklist if he continues. It has been the practice in the past, if they complained along these lines, to wind up in the little black book, so they find themselves without employment and without the possibility of getting it in the future.

The CHAIRMAN. Is not one purpose of the bill before us to avoid the existence of the little black book?

Mr. CURRAN. Well, as it now stands, the agreements being reached between the union and the shipowners very efficiently do away with the possibility of a blacklist, inasmuch as they provide that if any employee is not acceptable to the steamship operator, the steamship operator shall give written reasons why the man is being rejected. Usually those written objections will be along the lines of inefficiency, sobriety, and so on. Before, it was just a question of a man applying for a job and the employer, without any reason whatsoever, just saying, "There is no job for you."

In the contract it will stipulate that the employees under the agreement shall be hired through the union hall.

The CHAIRMAN. Are there any other questions?

Senator VANDENBERG. How far have you gone with voluntary contracts providing for mediation?

Mr. CURRAN. We have six to eight under negotiation. You realize, of course, that we cannot move any more rapidly because of the National Labor Relations Board conducting or holding elections. They have to hold elections in each steamship company before any negotiations can be carried on. They have to designate, through the balloting, the collective bargaining agency.

Senator VANDENBERG. How would that compare with the total maritime situation?

Mr. CURRAN. It would be 18 out of approximately 75 that have been finished so far.

Senator THOMAS. In the main, you said, you are in agreement with the testimony given by Chairman Madden, but in the course of your statement you mentioned the fact that anything in the direction of mediation would be looked upon as a coercive measure.

Mr. CURRAN. That is correct.

Senator THOMAS. Has the history of railway mediation proved itself to be coercive?

Mr. CURRAN. We do not want to imply by any word or any statement that the Railway Labor Act is not a good act insofar as it covers railroads; but we wish to point out to you very clearly that the maritime industry today is not in the same position as the railroads. In fact, we are now conducting elections. We are attempting to negotiate agreements. The fact that this mediation clause in the bill is even pending is because many of the shipowners are saying, "Well, we will wait in these negotiations until we see what comes from Congress."

They know that this completely takes our weapon away from us—any weapon we may have to defend the union. They know that we would be powerless to bring any pressure on them, and they could deny any change in conditions. They would just tell us we could not get them and that we know we cannot strike. They would get it up to the Mediation Board and would be able to hold it there indefinitely, and we just would not get anything.

Senator THOMAS. Has your organization proceeded as far as railroad organization had when the mediation went into effect?

Mr. CURRAN. The railroad industry at that time was on an entirely different plan. Today we have a different way of going about organizing. We have to wait now until the National Labor Relations Board certifies us before we can even negotiate. On the basis of that, you can't even make a comparison. They did not have the National Labor Relations Board in those days, and they were pretty well organized at that.

Senator THOMAS. You are not against the principle of mediation entirely; you are against the probable use to which this particular act might be put at this time?

Mr. CURRAN. I am opposed to mediation being written into law at this time. Our organizations are also opposed to it. We asked for the opportunity to organize our industry before we discussed mediation. We have not proved conclusively to anybody, in spite of

what the press and other agencies might contend, that we cannot settle this industry and keep it peaceful and bring about harmonious relations with the shipowners. We have not been given a chance to prove that. If we are proved wrong, then it would be time to discuss it.

Senator THOMAS. Then we should underscore your words "at this particular time"?

Mr. CURRAN. Well, I want it made very definitely clear that insofar as mediation of any description is concerned, written into law, we are opposed to it. The organizations I represent are opposed to it.

Senator VANDENBERG. Even if it were to follow the general theory of your voluntary contracts?

Mr. CURRAN. At this time. We believe that the clause written into the contracts at this time, unless we are proved wrong, will take care of this. Then, if we are proved wrong, we can discuss mediation. Our organization is in its infancy. If it is going to be given a chance to prove whether it can do something or not, it may be able to do it; but if it is going to be strangled before it has grown up, then we do not know—none of us know—what it could have done if it had been allowed to go on.

Senator VANDENBERG. One of our troubles is while your organization is in its infancy the industry with which you deal is on its death bed.

Mr. CURRAN. I do not think, by any stretch of the imagination, that you can place the blame for that on labor.

Senator VANDENBERG. I am not assessing blames; I am saying that we are confronted with a crisis, apparently, according to the testimony of Mr. Kennedy, and that something has to be done about it.

Mr. CURRAN. I want to say conclusively that we are wholeheartedly in support of the program to build the merchant marine. Naturally, we would be, as our livelihood depends on it. Also, although people would differ with us in this opinion, we are patriotic, and we would like to see a strong merchant marine in this country.

The CHAIRMAN. Do you disagree with the statement of the United States Maritime Commission to this effect?

Labor conditions in the American Merchant Marine are deplorable. Unless something is done to reduce interunion friction, to increase the efficiency of our crews, and to restore order and discipline upon our ships, all Government efforts to develop a strong American fleet will be futile. A merchant marine built upon inadequate and unsatisfactory personnel is little better than no merchant marine at all.

Mr. CURRAN. I disagree with it in many respects. I believe that the time that is referred to in this report is not the present. I believe it refers to the time when we did have interunion friction, which we have not got at the present time. This union, I will say, without any fear of contradiction, is the only union in the field, with the possible exception of a remnant here and there.

As I said before, we have come through a transition period. You will find conditions more stable today than they ever before were on the ships. There is no doubt in my mind that they are going to become very much more stable as we go along.

The report, I think, should have dealt a little more closely with the reasons why this deplorable condition existed. The report would give you as the reason why conditions were deplorable the fact that there was undisciplined personnel on the ships. We differ on that completely. We believe that the unlicensed personnel on the ships were

driven to extreme measures in many cases because of a complete lack of cooperation—a refusal to cooperate—on the part of ship owners and others who knew the conditions the men lived under and worked under were deplorable; but those owners operated on a dollars-and-cents basis. We believe the report is not clear. We believe that it should have reported on every one of those particular points and not try to place the blame completely upon the seamen.

I will go further and say that you are not going to get a better or finer type of seaman today, no matter how much you train him. You cannot get a better type than you have today. You may have a few here and there, the same as you have in every industry, who are not of the best, but on the whole, being a seaman myself, I will argue with anybody that our seamen are the best type of Americans we have in this country, and they are the most able seamen.

The CHAIRMAN. Are you not at all disturbed that conditions as they are will prevent the building of new ships?

Mr. CURRAN. No, I am not; except so far as the ship owner is concerned in not having the money with which to build them; but so far as the seamen are concerned, I am satisfied that they have a union of their own choosing, that they have their representatives, and that they are ready to go along and to cooperate 100 percent to build a merchant marine.

The CHAIRMAN. Is it not important that that should be made so definite and so well understood that that element can not enter into the decision of whether we are to build any ships or not?

Mr. CURRAN. Frankly, I think it should be made definite, yes; and I think it is made definite in our contracts. I think this legislation will do more to disorganize the industry and antagonize the seamen, because we must agree that you are not going to do away with all the seamen and place new seamen in their field. That is impossible. Legislation of this type would just antagonize the seamen who have come through this period, and you would have more difficulties than you have had before. I do not believe that the seamen can be subjugated into a position where they have no right to collective bargaining and no right to apply to the National Labor Relations Board, as such, and no right to exercise their constitutional rights. That is what this legislation would, in fact, be doing.

Senator THOMAS. If mediation would be made effective only after organization had been completed, then your statement would not hold.

Mr. CURRAN. I said before, and I say again, that after the industry is completely organized, it would then be time to discuss mediation, if it were necessary. If we had proved by that time that we could not mediate our disputes through our machinery, created in the contracts, but not before we have had the opportunity to try that machinery out.

Senator THOMAS. In the light of that answer, we should use what you have today, and your answer to the question of Senator Cope-land, I take it, is that Chairman Kennedy's criticism refers to a given time rather than to a probable later condition?

Mr. CURRAN. I would say, and I believe I am safe in saying, that the report made by the Maritime Commission gives a complete survey of the maritime industry, with respect to no particular time but is over a period of years, let us say.

At this time I do not think there is any point in the report covering this particular time at all. I think it goes back a year or six months. I just want to point out that of these eleven contracts that we have signed with the steamship operators, nine of them were signed quite a time back, and we have not had any dispute of any nature whatsoever to even adjudicate on those lines, and there are 56 ships covered on those lines. We have not had any trouble of any description whatsoever on those lines.

The CHAIRMAN. Are there any other questions?

Senator SHEPPARD. What do you consider to be a living wage?

Mr. CURRAN. I do not think I am prepared to say. It depends on what you refer to. Is it for seamen?

Senator SHEPPARD. It is evidently above \$70 a month?

Mr. CURRAN. You are referring to seamen?

Senator SHEPPARD. Yes.

Mr. CURRAN. I think that a seaman should be entitled to the same minimum wage that may apply to work ashore, with the exception of that taken out for his board and room. I think he should be paid a hundred dollars a month at least, because I believe he is a skilled worker. All seamen are.

Senator GIBSON. What is he now paid?

Mr. CURRAN. I think it is \$70 a month.

The CHAIRMAN. If there are no other questions, we shall adjourn until 10:30 o'clock tomorrow morning.

(At 11:15 a. m. an adjournment was taken until tomorrow, Tuesday, December 14, 1937, at 10:30 a. m.)

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AMENDING THE MERCHANT MARINE ACT OF 1936

TUESDAY, DECEMBER 14, 1937

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to adjournment, at 10:30 o'clock a. m., in the caucus room, Senate Office Building, Senator Royal S. Copeland, chairman of the Commerce Committee, presiding.

Present: Senators Copeland, Thomas of Utah, Guffey, Ellender, Vandenberg, White, Pepper, and Gibson.

The CHAIRMAN. The committee will come to order.

Is Mr. Thomas Ray here?

Mr. PHILLIP VAN GELDER. He is sick, Mr. Chairman.

The CHAIRMAN. Is Mr. James Mullen here?

Mr. JAMES MULLEN. Yes, sir.

The CHAIRMAN. At this point I shall ask to have inserted in the record committee print of S. 1710, as amended.

(Committee print of S. 1710, as amended, is as follows:)

[Committee Print]

[S. 1710, 75th Cong., 1st Sess.]

(Omit the part in brackets and insert the part printed in *italics*)

A BILL To provide means for the amicable settlement of all disputes between employers and employees that affect the service of carriers engaged in transportation of passengers and property in the water-borne interstate and foreign commerce of the United States, to promote industrial peace in maritime industry, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I. EMPLOYER AND EMPLOYEE RELATIONS

DECLARATION OF POLICY

SECTION 101. It is hereby declared to be the policy of the United States to [avoid all interference with, and interruption of,] *promote and maintain the free and safe movement of passengers and property in the interstate and foreign commerce of the United States and it is the purpose of this Act* [(1) to regulate employment conditions in the maritime industry as a whole by setting up machinery for the settlement of disputes between employers and employees therein whereby disagreements resulting in strikes and industrial disturbances may be prevented by voluntary agreement and arbitration; (2)] (1) to safeguard the right of employees *in the maritime industry to bargain collectively through representatives of their own choosing without interference, influence, or coercion on the part of their employers; [(3)]* (2) to impose a binding duty upon employers to recognize and treat with the representatives of their employees; and [(4)] (3) to impose a corresponding duty upon employees to scrupulously observe their voluntary agreements with their employer; and (4) to set up machinery for the settlement of disputes between employers and employees in the maritime industry whereby disagreements resulting

in strikes and industrial disturbances may be prevented by voluntary agreement and arbitration. No provision of this Act shall be construed to interfere with the freedom of contract [, to require of the employer the making of an agreement with his employees,] or to interfere with the normal exercise of the right of the employer to select his employees and to discharge them.

DEFINITIONS

SEC. 102. When used in this Act and for the purposes of this Act—

(a) The term "employer" includes (1) any person engaged in the transportation by water of passengers or property between the United States or any of its districts, Territories, or possessions and a foreign country, or engaged in the transportation by water of passengers or property on the high seas or the Great Lakes from port to port between one State, Territory, district, or possession of the United States and any other State, Territory, district, or possession of the United States, including an operator of a cargo vessel commonly called an ocean tramp, (2) any person engaged in pilot boat, towboat, barge, or lighterage service in connection with the transportation by water of passengers or property as set forth in clause (1) hereof; and (3) any person who operates any equipment or facilities or performs any service in connection with the transportation by water of passengers or property as set forth in clauses (1) and (2) hereof, including the sale of transportation to passengers and including receiving, delivering, storing, elevating, checking, trucking, stevedoring, warehousing, refrigerating, or in any wise serving or handling any such property [; and (4) any person engaged in constructing, reconstructing, repairing, or outfitting any vessel, boat, barge, or lighter employed or to be employed as set forth in clauses (1) and (2) hereof, or engaged in constructing, reconstructing, repairing, outfitting, or supplying any equipment or facility employed or to be employed as set forth in clause (3) hereof]

(b) The term "employee" includes any person employed by the hour, day, week, month, year, or any other period, by any person defined in this Act as an "employer", provided the duties assigned to or services rendered by such employee, directly or indirectly, in any manner affect, relate to, or are concerned with, the transportation by water of passengers or property as set forth in clause (1) of subsection (a) of this section, or the furnishing of equipment and facilities therefor or services thereto, as respectively set forth in clauses [(2), (3), and (4)] (2) and (3) of subsection (a) of this section, it being the intent that this Act shall apply not only to those persons whose work may be exclusively in connection with the movement of passengers and property in the interstate and foreign commerce and traffic of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce and traffic that the provisions of this Act are essential and appropriate to secure the freedom of that commerce and traffic from interference or interruption.

(c) The term "person" includes corporations, partnerships, and associations existing under or authorized by the laws of the United States, or any State, Territory, district, or possession thereof, or of any foreign country: *Provided*, That the term "person" shall not include the master or the members of the crew of any vessel which is not documented, registered, licensed, or enrolled under the laws of the United States.

(d) The term "representative" means any person or persons, labor union, organization, or corporation, as defined in section 2 *Shipping Act, 1916, as amended* designated either by an employer or group of employers or by its or their employees to act for it or them.

(e) The personal pronouns "he", "his", and "him" include the feminine and neuter genders. The singular number includes the plural and the plural number includes the singular.

(f) The term "Ship Labor Board" means the National Ship Labor Adjustment Board created by this Act.

[(g) The term "Mediation Board" means the National Mediation Board created by the Railway Labor Act.]

(g) The term "Maritime Commission" means the United States Maritime Commission created by the Merchant Marine Act, 1936.

(h) The term "Mediation Board" means a Mediation Board that may be created under authority of section 301 of this Act.

DUTIES OF EMPLOYERS AND EMPLOYEES

SEC. 103. It shall be the duty [of all employers, their officers, agents, and their employees] (1) of all employers, their officers, and agents; (2) of all agents or representatives of employers or groups of employers as a class, and (3) of all employees and their representatives acting in the interests of employees as a class to exert every reasonable effort to make and maintain agreements concerning methods of employment, rates of pay, rules and working conditions, and to settle all disputes, whether arising out of the application of such agreements or otherwise, without any interruption to or interference with the free and safe movement of passengers and property in the water-borne interstate and foreign commerce and traffic of the United States [and to avoid interference with, or interruption of, the operations of any employer because of any dispute between any employer and the employees of such employer].

DISPUTES TO BE SETTLED BY CONFERENCES

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SEC. 104. All disputes between an employer and the employees of such employer shall be considered, and, if possible, settled, with all expedition, in conference between representatives designated and authorized so to confer, respectively, by the employer and the employees of such employer interested in the dispute.

FREE CHOICE OF REPRESENTATIVES

SEC. 105. Representatives, for the purposes of this Act, shall be [native born or fully naturalized] citizens of the United States; they shall be designated by the respective parties without interference, influence, or coercion by either party over the designation of representatives by the other; and it shall be unlawful for either party, in any way, to interfere with, attempt to influence, or coerce the other party in the choice of representatives. Representatives of employees need not be persons in the employ of the employer concerned in the conference or dispute and it shall be unlawful for any employer, by interference, influence, or coercion, to seek in any manner to prevent the employees interested in any such conference or dispute from making a free and untrammelled choice of the representatives of such employees.

COLLECTIVE BARGAINING

SEC. 106. Employees shall have the right to organize and bargain collectively through representatives of their own choosing. The majority of any [craft or] class of employees of any employer shall have the right to determine who shall be the representative of such [craft or] class for the purposes of this Act. No employer or group of employers, his or their officers or agents, shall deny or in any way question the right of his or their employees to join, organize, or assist in organizing the labor organization of their choice, and it shall be unlawful for any employer or group of employers to interfere in any way with the organization of his or their employees, or for any employer or group of employers to pay any money or contribute anything of value to any labor organization, labor representative, or other agency of collective bargaining, or do any act calculated to induce his or their employees to join or remain or not to join or remain members of any labor organization or to deduct from the wages of any employees, or to pay for any employee, any dues, fee, assessment, or other contribution, payable to labor organizations, or to assist in the collection of any such dues, fee, assessment, or other contribution. *Provided*, [That a member of the crew of any vessel operated by an employer may make an allotment of his wages for the payment of any such dues, fee, assessment, or other contribution and his employer may pay the sum or sums so allotted to the organization designated by such employee to receive such payment. *And provided further*,] That nothing in this Act shall be construed to prohibit an employer from permitting an employee, individually, or a local representative of employees, from conferring with the employer, or the officers or agents of the employer, during working hours without loss of time or deduction in pay, or to prohibit an employer from furnishing free transportation to an employee while he is engaged on the business of a labor organization.

PROHIBITION AGAINST EMPLOYER DICTATION

SEC. 107. It shall be unlawful for any employer, or group of employers, or the officers or agents of any employer or group of employers, to require any person seeking employment to sign any contract or agreement wherein such person promises to join or not to join a labor organization and if such contract or agreement has been secured by any employer prior to the effective date of this Act, it shall be the duty of the employer to notify the employee or employees who signed such contract or agreement that it is void and is no longer binding on him or them in any way.

CONFERENCES WHEN DISPUTES ARISE

SEC. 108. When a dispute arises between any employer or group of employers, and the employees of such employer or group of employers, growing out of grievances, or out of the interpretation of application of agreements, concerning methods of employment, rates of pay, rules, and working conditions, it shall be the duty of the designated representative of such employer, or group of employers, and of such employees, within ten days after the receipt of written notice of a desire by either party to confer in respect to such dispute, to agree upon a time when and a place where such conference shall be held: *Provided*, That (1) the place so specified, if the employer is a person described in clause (1) of subsection (a) of section 102 of this Act, shall be at a port in the continental United States served by the vessel or vessels operated by such person, and if the employer is a person described in clauses [2, 3, or 4] (2) or (3) of subsection (a) of section 102 of this Act, the place shall be within or near the port or city where the employer operates or is engaged in business, or the place otherwise mutually agreed upon; and that (2) the time so specified shall allow the designated conferees reasonable opportunity to reach such place of conference, but shall not exceed twenty days from the delivery of such written notice. *And provided further*, That nothing in this section shall be construed to supersede the provisions of any agreement as to conferences [then] in effect between the parties.

DEPARTURE FROM AGREEMENTS

SEC. 109. No employer, or group of employers, his or their officers, or agents, shall change his or their methods of employment, rates of pay, rules, or working conditions of his or their employees as a class, as embodied in the labor agreements contemplated by this Act, except in the manner prescribed in such agreements or in section [306, title III,] 305 of this Act.

NOTICE OF COMPLIANCE WITH THIS ACT

SEC. 110. Each and every employer shall notify his employees, by printed notices in such form and posted at such times and places as shall be specified by the [Mediation Board] *Maritime Commission*, that all disputes between the employer and his employees will be handled in accordance with the requirements of this Act and every such notice shall also set forth verbatim the provisions of sections 105, 106 and 107 of this Act. Every written contract of employment between any employer and his employees shall expressly refer to this Act and provide that all the requirements of this Act shall be binding upon the parties to such contract of employment regardless of any other express or implied agreements between them.

DISPUTES OVER REPRESENTATIVES; ACCESS TO EMPLOYERS' RECORDS

SEC. 111. If any dispute shall arise among the employees or a group or groups of employees of any employer or group of employers as to who are the representatives of such employees or group of employees designated and authorized in accordance with the requirements of this Act, it shall be the duty of the [Mediation Board] *Maritime Commission*, upon the request of either party to the dispute, to investigate such dispute and to certify to both parties, in writing, within thirty days after the receipt of the invocation of its services, the name or names of the individuals or organizations that have been designated and authorized to represent the employees involved in the dispute, and also make such certification to the employer or group of employers of such employees. Upon receipt of such certification the employer or group of employers shall recognize and treat with the representatives so certified as the representative of the [craft or class for the

purposes of this Act] *employees, concerned in the dispute.* In such an investigation, the [Mediation Board] *Maritime Commission* shall be authorized to take a secret ballot of all the employees involved, or to utilize any other appropriate method of ascertaining the names of their duly designated and authorized representatives in such manner as shall insure the choice of representatives by the employees concerned without interference, influence, or coercion exercised by their employer or group of employers. In the conduct of any election for the purposes herein indicated the [Mediation Board] *Maritime Commission* shall designate who may participate in the election and establish rules to govern the election, or may appoint a committee of three neutral persons, who, after a hearing of the disputing employees, shall, within ten days after their appointment, designate the employees who may participate in the election. The [Mediation Board] *Maritime Commission* shall have access to and have power to make copies of the books and records of the employer or group of employers of such employees to obtain and utilize such information as may be necessary to carry out the purposes and provisions of this section.

TITLE II. NATIONAL SHIP LABOR ADJUSTMENT BOARD

LABOR ADJUSTMENT AGENCY CREATED

SEC. 201. An agency is hereby created, to be known as the "National Ship Labor Adjustment Board", in this Act referred to as "Ship Labor Board", to be composed of forty persons, referred to in this title as "members", who shall be nominated and appointed within sixty days after the effective date of this Act, or as soon thereafter as may be possible, in the manner hereinafter provided.

SELECTION OF LABOR BOARD MEMBERS

SEC. 202. The membership of the Ship Labor Board shall be made up as follows: (1) [Sixteen] *Twenty* members shall be selected and nominated by such labor organizations, national or regional in scope, as have been or may be organized as contemplated by this Act; (2) [sixteen] and (2) *twenty* members shall be selected and nominated by the employers who are subject to the provisions of this Act, acting through such group organizations, national or regional in scope, as have been or may be formed [; (3) four members shall be selected and nominated by shippers of commodities moving in the interstate and foreign water-borne commerce of the United States, acting through such group organizations, national or regional in scope, as have been or may be formed; and (4) four members shall be selected and nominated by the Secretary of Labor as representative of the general public and such four members shall not have been financially interested, within three years prior to their nomination, in any business directly affected by the provisions of this Act] *but only five labor members and five employer members shall be nominated from residents of any one regional division as prescribed in Section 209 of this Act.* Upon receipt of such nominations, the [Mediation Board] *Maritime Commission* shall investigate the qualifications of each nominee and determine whether such nominee is eligible for appointment as a member. If the [Mediation Board] *Maritime Commission* shall determine that any nominee is not eligible the nominator shall be immediately advised and requested to file the nomination of another person.

APPOINTMENT AND TERM OF MEMBERS

SEC. 203. The [Mediation Board] *Maritime Commission* shall appoint each member of the Ship Labor Board to serve for a term of one year and until a successor is selected, nominated, and appointed in the same manner, and each successive member shall receive a similar appointment. A vacancy on the Ship Labor Board, either temporary or permanent, due to death, resignation, refusal, or inability to attend meetings or other cause, shall be filled by selection, nomination, and appointment, in the same manner as the original nominee was selected, nominated, and appointed. All appointments shall designate the regional division where the member is to serve. Subject to the general provisions of this [title, the Mediation Board] *Act, the Maritime Commission* shall adopt and promulgate suitable rules and regulations prescribing in detail the manner in which members of the Ship Labor Board shall be selected, nominated, and appointed *and prescribing the method for determination of the organizations entitled to make such nominations.*

[MEDIATION BOARD] SELECTION OF MEMBERS

SEC. 204. If, sixty days after the effective date of this Act, all the nominations of qualified persons to complete the full membership of the Ship Labor Board have not been received by the **[Mediation Board, that Board]** *Maritime Commission, that Commission* shall complete the authorized membership of the Ship Labor Board by making temporary appointment of a person or persons eligible for membership thereon and possessing the qualifications elsewhere provided in this title. Thereafter, the **[Mediation Board]** *Maritime Commission* shall replace such temporary appointees by appointment of persons duly selected and nominated as provided in section 202 of this title, when such nominations are received.

PROTESTS AGAINST NOMINATION

SEC. 205. If, within sixty days after the effective date of this Act, any organization of **[employees, employers, or shippers]** *employees or employers*, national or regional in scope, shall have filed with the **[Mediation Board]** *Maritime Commission* a protest against the appointment of any nominee based upon the ground that such protesting organization is entitled to participate, but has not participated through no fault of its own, in the selection and nomination of such nominee; or, if, within thirty days after a vacancy occurs after the original Ship Labor Board has been appointed, a like protest is filed with the **[Mediation Board]** *Maritime Commission* against the appointment of any person nominated to fill such vacancy; the **[Mediation Board]** *Maritime Commission* may, if it is deemed desirable and necessary, make a temporary appointment, to fill such member vacancy, of a person eligible to be a member as provided elsewhere in this title, and such temporary appointee shall hold office until his successor is selected, nominated, and appointed as provided in this title.

COMMITTEE TO DECIDE PROTESTS

SEC. 206. Upon receipt of any protest of an organization against the appointment of a nominee for membership, as described in section 205 of this title, the **[Mediation Board]** *Maritime Commission* shall immediately investigate the claim of such organization to participate in the selection and nomination of a person to fill the vacancy, and, if the claim is found to possess merit, the **[Mediation Board]** *Maritime Commission* shall within ten days after such finding request the organization that has submitted the protested nomination and the protesting organization each to designate a representative, and the **[Mediation Board]** *Maritime Commission* shall designate a neutral third person, and the three persons so designated shall constitute a committee to determine the controversy. Such committee shall investigate the claim of the protesting organization, and, if so requested in writing, shall accord a hearing, at which hearing the parties to the controversy may be heard in person, by counsel, or by other representatives, as they may respectively elect, and such procedure shall be followed as may be prescribed by the **[Mediation Board]** *Maritime Commission*. Within thirty days after the designation of the neutral member the committee shall decide and certify to the **[Mediation Board]** *Maritime Commission* whether or not the protesting organization is entitled, within the meaning and intent of this Act, to participate in the selection and nomination of a person to fill the membership position in controversy. The decision of such committee shall be final and binding upon the parties and upon the **[Board]** *Maritime Commission*.

OATH OF OFFICE

SEC. 207. Prior to taking office, each member shall take an oath or affirm that he is a citizen of the United States, that he will support and defend the Constitution of the United States, and that he will faithfully and impartially perform the duties of a member of the Ship Labor Board.

COMPENSATION OF MEMBERS

SEC. 208. The members of the Ship Labor Board and the persons designated to serve as a committee as provided in section 206 of this title, shall be compensated for their services on a per-diem basis and the **[Mediation Board]** *Maritime Commission* shall prescribe the rate of such per-diem compensation. The **[compensation and]** *compensation, necessary traveling expenses, and actual expenses incurred for subsistence* of the members nominated by **[employee, employer, and shipper]** *employee and employer* organizations and of persons designated by such organizations to serve on a committee, shall be paid by the organization that

nominated or designated such persons, and the [compensation and] *compensation*, necessary traveling expenses [of the other members, and], and actual expenses incurred for subsistence of the neutral person serving on a committee shall be paid by the [Mediation Board] *Maritime Commission*.

REGIONAL DIVISIONS OF BOARD

Sec. 209. The Ship Labor Board shall be divided into four regional divisions, each composed of ten members of whom [four] *five* shall be nominees of labor organizations[, four] and *five* shall be nominees of employer [organizations, one shall be the nominee of shipper organizations, and one shall be the nominee of the Secretary of Labor, but all] *organizations*. All of the members of the several divisions shall be residents of the area over which that division exercises jurisdiction. The respective names and headquarters of said regional divisions shall be Atlantic Coast Division, with headquarters in New York City; Gulf Coast Division, with headquarters in New Orleans; Pacific Coast Division, with headquarters in San Francisco; and Great Lakes Division, with headquarters at Chicago. The four divisions shall possess jurisdiction, independent of one another, over all disputes between employees and employers subject to this Act, arising [at ports or shipyards] in the areas herein indicated by the designation of the four respective divisions.

MEETINGS OF BOARD

Sec. 210. The Ship Labor Board shall meet at a place of meeting to be designated by the [Mediation Board] *Maritime Commission* within ninety days after the effective date of this Act and adopt such rules as it deems necessary to control proceedings before its respective divisions and not in conflict with the provisions of this Act. Further meetings of the full membership of the Ship Labor Board shall be held at any time and place designated by the [Mediation Board] *Maritime Commission*, whenever it shall appear that such a meeting is necessary or desirable. Immediately following the first meeting of the entire Board and the adoption of such rules, the respective divisions shall meet at their headquarters and organize by the selection of a chairman, a vice chairman, and a secretary. Thereafter, each division shall annually designate one of its members to act as chairman and one of its members to act as vice chairman: *Provided, however,* That the chairmanship and vice chairmanship of any division shall alternate so that both the chairmanship and the vice chairmanship shall be held alternately by a member nominated by the employer organizations and a member nominated by the employee organizations. Vacancies in the office of chairman and vice chairman shall be filled for the unexpired term by the selection of a successor similarly selected.

HANDLING OF DISPUTES

Sec. 211. A dispute between an employee or group of employees and an employer or group of employers, growing out of grievances or out of the interpretation or application of agreements concerning methods of employing workers, rates of pay, rules, or working conditions, including any and all such disputes pending and unsettled on the effective date of this Act, shall be handled in the customary manner up to and including the chief operating official of the employer, or the representative of a group of employers; but, failing to reach an agreement, adjustment, or settlement in this manner, the dispute shall be referred by petition of the parties or by either party to the appropriate division of the Ship Labor Board, given jurisdiction of the dispute by this Act, with a full statement of the facts and all supporting data bearing upon the dispute. Parties to a dispute, to be designated and hereinafter referred to as "petitioner" and "respondent", respectively, may be heard by the respective divisions of the Ship Labor Board either in person, by counsel, or by other representatives, as they may respectively elect, and the division acquiring jurisdiction of a dispute shall give reasonable notice to the parties thereto of all hearings on the dispute held by the Division.

TWO MEMBERS MAY CONDUCT HEARINGS

Sec. 212. Each division of the Ship Labor Board shall have authority to designate two or more of its members to conduct hearings and to take testimony upon disputes at any place designated by the division, and to make findings upon such hearings and testimony: *Provided, however,* That final awards as to any dispute must be made by the entire division in the manner hereinafter provided.

AWARDS

Sec. 213. A majority vote of all members of the division of the Ship Labor Board shall be required to make an award with respect to any dispute submitted to it. Such an award shall be stated in writing. A copy of the award shall be furnished to the respective parties to the controversy and the award shall be final and binding upon all parties to the dispute except insofar as it shall contain a money award. If an award is made in favor of the petitioner, the division making the award shall enter an order directed to the respondent to make the award effective. If a dispute arises involving an interpretation of an award, the division making such award upon request of either party shall interpret the award in the light of the dispute.

SELECTION OF REFEREE

Sec. 214. Upon failure of any division to agree upon an award because of a deadlock or inability to secure a majority vote of the division members, such division shall forthwith agree upon and select a neutral person to be known as a "referee", to sit with the division as a member thereof and vote upon an award. Should the division fail to agree upon and select a referee within ten days after the date of the deadlock or inability to secure a majority vote, then the division or any member thereof, or the parties or either party to the dispute may certify that fact to the [Mediation Board, which Board] Maritime Commission, which Commission shall, within ten days from the date of receiving such certificate, select and name the referee to sit with the division as a member thereof and to vote upon an award in such dispute. The [Mediation Board] Maritime Commission shall be bound by the same provisions in the appointment of such neutral referee as are provided in title IV of this Act for the appointment of arbitrators and shall fix and pay the compensation, necessary traveling expenses, and actual expenses incurred for subsistence of such referee.

JURISDICTION OF COURTS ON AWARDS

Sec. 215. If a respondent does not comply with the award or order of a division of the Ship Labor Board within the time limit in such award or order, the petitioner, or any person for whose benefit such award or order was made, may file in the district court of the United States for the district [in which he resides or] in which the respondent resides or may be found, a petition setting forth briefly the causes for which he claims relief, and the award or order of the division of the Ship Labor Board in the premises. Such suit in the district court of the United States shall proceed in all respects as other civil suits, except that it shall have precedence over all other civil suits in said court, and except that on the trial of such suit the findings and award or order of the division of the Ship Labor Board shall be prima-facie evidence of the facts therein stated. The petitioner shall not be liable for costs in the district court nor for costs at any subsequent stage of the proceedings, unless they accrue upon an unsuccessful appeal. Costs in the district court not assessed against the respondent shall be paid out of the appropriation for the expenses of the courts of the United States. If the petitioner shall finally prevail he shall be allowed a reasonable attorneys' fee to be taxed and collected from the respondent as a part of the costs of the suit. District courts are hereby empowered to make such order by writ of mandamus, by injunction or otherwise, and to enter such judgment or decree, as may be appropriate to enforce or set aside the award or order of the division of the Ship Labor Board. The actions at law or in equity, based upon the provisions of this section, shall be commenced within [two years] one year from the time the cause of action accrues under the award of the division of the Ship Labor Board and not thereafter.

QUARTERS AND EMPLOYEES' COMPENSATION

Sec. 216. Whenever practicable, the Ship Labor Board and the several divisions thereof shall be supplied with suitable quarters in any Federal building located at its place of meeting. The Ship Labor Board may, subject to the approval of the [Mediation Board] Maritime Commission, employ and fix the compensation of such assistants as it deems necessary in carrying on its proceedings. The compensation of such employees shall be paid by the [Mediation Board] Maritime Commission.

ANNUAL REPORTS

Sec. 217. Each division of the Ship Labor Board shall annually prepare and submit a report of its activities to the [Mediation Board] Maritime Commission, and the substance of such report shall be included in the annual report of the [Mediation Board] Maritime Commission to the Congress of the United States. The reports of each division of the Ship Labor Board and the annual report of the [Mediation Board] Maritime Commission shall state in detail all [costs] recoveries awarded, all actions taken, the names, salaries, and duties of all agencies, employees, and officers receiving compensation from the United States under the authority of this Act, and an account of all moneys appropriated by Congress pursuant to the authority conferred by this Act and dispersed by such agencies, employees, and officers.

Sec. 218. Nothing in this Act shall be construed to prevent the functioning of port committees or other media for the adjustment of differences between employers and employees which have been, or may be set up by agreements between employers and employees. In the event, however, that either party to such an agreement becomes dissatisfied therewith, the dissatisfied party may elect to go under the jurisdiction of the Ship Labor Board upon sixty days notice in writing to the other parties to such agreement.

TITLE III. [NATIONAL MEDIATION BOARD

JURISDICTION] MEDIATION AND LABOR AGREEMENTS

[Sec. 301. The parties, or either party, to a dispute between an employee or group of employees and an employer or a group of employers, may invoke the services of the Mediation Board in any of the following cases: (1) A dispute concerning methods of employment, rates of pay, rules, or working conditions, not adjusted by the parties in conference; or (2) any other dispute not within the jurisdiction of the Ship Labor Board and not adjusted in conference between the parties or where conferences are refused. The Mediation Board may proffer its services at any time it shall determine that a labor emergency has arisen.]

MEDIATION BOARD

Sec. 301. (a) The parties, or either party, to a dispute between an employee or group of employees and an employer or group of employers, may request the Maritime Commission to set up a Mediation Board in any of the following cases:

1. A dispute concerning methods of employment, rates of pay and rules, or working conditions not adjusted by the parties in conference; or

2. Any other dispute not within the jurisdiction of the Ship Labor Board and not adjusted in conference between the parties or where conferences are refused. The Maritime Commission may offer to create such a Mediation Board without request from either of the disputing parties at any time it shall determine that a labor emergency has arisen.

(b) The Mediation Board to be set up by the Maritime Commission as provided in subsection (a) of this section shall be constituted as follows:

One member to be selected from employees of the maritime industry who are not directly concerned in the dispute, one member to be selected from employers in the maritime industry who are not directly concerned in the dispute, and one member to be one of the Commissioners of the Maritime Commission, which Commissioner shall act as chairman of such Mediation Board.

(c) The employee and employer members of the Mediation Board shall be compensated for their services on a per diem basis to be prescribed and paid by the Maritime Commission. The necessary traveling expenses and expenses actually incurred for subsistence of the members of the Mediation Board and of such personnel as shall be temporarily assigned to the Mediation Board by the Maritime Commission shall be paid by that Commission.

MEDIATION

Sec. 302. Whenever the services of [the] a Mediation Board shall be [invoked or that Board] requested or the Maritime Commission shall determine a labor emergency exists, the Mediation Board created under authority of section 301 shall promptly communicate with the parties to the labor dispute or controversy and shall use its best efforts, by mediation, to bring them to agreement and settlement of the dispute or controversy. If such efforts to bring about an amicable settle-

ment through mediation shall be unsuccessful, the Mediation Board shall use its best efforts to induce the parties to submit their controversy to arbitration in accordance with the provisions of this Act. If arbitration at the request of the Mediation Board shall be refused by one or both parties, the Mediation Board shall promptly notify both parties in writing that its mediatory efforts have failed and for ten days thereafter, unless in the intervening period the parties reach an agreement or the dispute is decided by arbitration, it shall be the duty of the employer or employers and his or their employees concerned to observe and maintain the methods of employment, rates of pay, rules, working conditions, and established practices in effect prior to the time the dispute arose.

INTERPRETATION OF AGREEMENTS

Sec. 303. If a controversy arises in any case over the meaning or the application of any agreement reached through mediation under the provisions of this Act, either party to such agreement, or both, may apply to the Mediation Board for an interpretation of the meaning or application of such agreement. The Mediation Board shall, upon receipt of such request, notify the parties to the controversy and, after a hearing of both parties, pronounce its interpretation within thirty days after such hearing.

[ARBITRATION]

[Sec. 304. With respect to the arbitration of disputes as provided in title IV of this Act, the Mediation Board shall have and perform the same duties as are imposed upon it by subdivisions (a), (b), (c), and (d) of paragraph 3 of section 5 of the Railway Labor Act, as amended, with respect to arbitration of disputes under the Railway Labor Act, insofar as applicable to arbitration of disputes under the provisions of this Act.]

FILING COPIES OF LABOR AGREEMENTS

Sec. [305] 304. Within sixty days after the effective date of this Act, every employer and group of employers subject to the provisions of this Act shall file with the [Mediation Board] *Maritime Commission* a copy of each contract with his or their employees then in effect covering methods of employment, rates of pay, rules, and working conditions: *Provided, however,* That those employers, referred to in clause (1) of subsection (a) of section 102 of this Act, shall not be required to file a copy of the ship's articles signed by crews of such employers' vessels, unless the [Mediation Board] *Maritime Commission* shall, in any case, require the filing of a copy of such ship's articles. If no contract with [any craft or] a class of its employees has been entered into, the employer shall file with the [Mediation Board] *Maritime Commission* a statement to that effect, together with a statement of the methods of employment, rates of pay, rules, and working conditions applicable in dealing with such [craft or] class. When any new contract is executed or change is made in an existing contract with any class [or craft] of its employees covering methods of employment, rates of pay, rules, or working conditions, or in those methods of employment, rates of pay, rules, and working conditions of employees not covered by contract, each employer subject to the provisions of this Act shall file the same with the [Mediation Board] *Maritime Commission* within thirty days after such new contract or change in existing contract has been executed, or change in the methods of employment, rates of pay, rules, and working conditions has been made effective.

CHANGES IN LABOR AGREEMENTS

Sec. [306] 305. All employers, and representatives of employees subject to the provisions of this Act, shall give at least thirty days' written notice of the desire of either to change an existing agreement affecting methods of employment, rates of pay, rules, or working conditions, and the time and place for the beginning of a conference between the representatives of the parties interested in such desired changes shall be agreed upon within ten days after the receipt of such notice and said time shall be within the thirty days provided in said notice. In every case where such notice of desired change has been given, or conferences are being held with reference thereto, or the services of [the Mediation Board] a *Mediation Board* with respect thereto have been requested by either party, or [said] a *Mediation Board* has proffered its services, as provided in section 301, it shall be the duty of the employer and of the employees affected by such existing agreement to observe the methods of employment, rates of pay, rules, and working conditions

provided in such existing agreement until the controversy has been finally acted upon by the Mediation Board, unless a period of ten days has elapsed after termination of conferences without request for or proffer of the services of the Mediation Board.

TITLE IV. ARBITRATION

AGREEMENT TO ARBITRATE

Sec. 401. Whenever a controversy shall arise between an employer or group of employers and his or their employees which is not settled either in conference between representatives of the parties or by the appropriate division of the Ship Labor Board or through mediation, in the manner provided in the preceding titles of this Act, such controversy may, by agreement of the parties to such controversy, be submitted to the arbitration of a board of three [(or)] or, if the parties to the controversy so stipulate, of [six] six persons: *Provided, however,* That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this Act or otherwise.

CHOICE OF ARBITRATORS

Sec. 402. Such board of arbitration shall be chosen in the following manner:

(a) In the case of a board of three, the employer or group of employers and the representatives of the employees, parties, respectively, to the agreement to arbitrate, shall each name one arbitrator; the two arbitrators thus chosen shall select a third arbitrator. If the arbitrator chosen by the parties shall fail to name the third arbitrator within five days after their first meeting, such third arbitrator shall be named by the [Mediation Board] *Maritime Commission*.

(b) In the case of a board of six, the employer or group of employers and the representatives of the employees, parties, respectively, to the agreement to arbitrate, shall each name two arbitrators, the four arbitrators thus chosen shall, by a majority vote, select the remaining two arbitrators. If the arbitrators chosen by the parties shall fail to name the two arbitrators within fifteen days after their first meeting, the said two arbitrators, or as many of them as have not been named, shall be named by the [Mediation Board] *Maritime Commission*.

ARBITRATION PROCEDURE

Sec. 403. (a) No arbitrator, except those chosen by the [Mediation Board, shall be incompetent] *Maritime Commission*, shall be ineligible to act as an arbitrator because of his interest in the controversy to be arbitrated, or because of his connection with or partiality to either of the parties to the arbitration.

(b) When the arbitrators selected by the respective parties have agreed upon the remaining arbitrator or arbitrators, they shall notify the [Mediation Board] *Maritime Commission*, and, in the event of their failure to agree upon any or upon all of the necessary arbitrators within the period fixed by this Act, they shall, at the expiration of such period, notify the [Mediation Board] *Maritime Commission* of the arbitrators selected, if any, or of their failure to make or to complete such selection.

(c) The board of arbitration shall organize and select its own chairman and make all necessary rules for conducting its hearings: *Provided, however,* That the board of arbitration shall be bound to give the parties to the controversy a full and fair hearing, which shall include an opportunity to present evidence in support of their claims, and an opportunity to present their case in person, by counsel, or by other representative as they may respectively elect.

(d) Upon notice from the [Mediation Board] *Maritime Commission* that the parties, or either party, to an arbitration desires the reconvening of the board of arbitration (or a subcommittee of such board of arbitration appointed for such purpose pursuant to the agreement to arbitrate) to pass upon any controversy over the meaning or application of their award, the board, or its subcommittee, shall at once reconvene. No question other than, or in addition to, the questions relating to the meaning or application of the award, submitted by the party or parties in writing, shall be considered by the reconvened board of arbitration or its subcommittee. Such rulings shall be acknowledged by such board or subcommittee thereof in the same manner, and filed in the same district court clerk's office, as the original award and become a part thereof.

(e) The board of arbitration shall furnish a certified copy of its award to the respective parties to the controversy, and shall transmit the original, together with

the papers and proceedings and a transcript of the evidence taken at the hearings, certified under the hands of at least a majority of the arbitrators, to the clerk of the district court of the United States for the district wherein the controversy arose or the arbitration is entered into, to be filed in said clerk's office as hereinafter provided. The said board shall also furnish a certified copy of its award, and the papers and proceedings, including testimony relating thereto, to the [Mediation Board, to be filed in its office] *Maritime Commission*.

[COMPENSATION AND] EXPENSES OF ARBITRATION

SEC. 404. (a) Each member of any board of arbitration created under the provisions of this Act named by either party to the arbitration shall be compensated by the party naming him. Each arbitrator selected by the arbitrators or named by the [Mediation Board] *Maritime Commission* shall receive from the [Mediation Board] *Commission* such compensation as the [Mediation Board] *Commission* may fix, together with his necessary traveling expenses and expenses actually incurred for subsistence, while serving as an arbitrator.

(b) A board of arbitration may, subject to the approval of the [Mediation Board] *Maritime Commission*, employ and fix the compensation of such assistants as it deems necessary in carrying on the arbitration proceedings. The compensation of such employees, together with their necessary traveling expenses and expenses actually incurred for subsistence, while so employed, and the necessary expenses of the board of arbitration, shall be paid by the [Mediation Board] *Maritime Commission*. Whenever practicable, the arbitration board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

WITNESSES

SEC. 405. All testimony before a board of arbitration created under the provisions of this Act shall be given under oath or affirmation, and any member of the board shall have power to administer oaths or affirmations. The board of arbitration, or any member thereof, shall have the power to require the attendance of witnesses and the production of such books, papers, contracts, agreements, and documents as may be deemed by the board material to a just determination of the matters submitted to its arbitration, and may for that purpose request the clerk of the district court of the United States for the district wherein said board of arbitration is sitting to issue the necessary subpoenas, and upon such request the said clerk or his duly authorized deputy shall be, and he hereby is, authorized, and it shall be his duty, to issue such subpoenas. In the event of the failure of any person to comply with such subpoena, or in the event of the contumacy of any witness appearing before the board of arbitration, the board may invoke the aid of the United States district court in said district to compel witnesses to attend and testify and to produce such books, papers, contracts, agreements, and documents to the same extent and under the same conditions and penalties as provided for in the Act to regulate commerce approved February 4, 1887, and the amendments thereto.

Any witness appearing before a board of arbitration shall receive the same fees and mileage as witnesses in courts of the United States, to be paid by the party requesting the attendance of the witness.

CONTENTS OF ARBITRATION AGREEMENT

SEC. 406. The agreement to arbitrate—

- (a) Shall be in writing;
- (b) Shall stipulate that the arbitration is had under the provisions of this Act;
- (c) Shall state whether the board of arbitration is to consist of three or of six members.

(d) Shall be signed by the duly accredited representatives of the employer or group of employers and the employees, parties, respectively, to the agreement to arbitrate, and shall be acknowledged by said parties before a notary public or before the clerk of a district court or of a circuit court of appeals of the United States, [or before a member of the Mediation Board,] and, when so acknowledged, shall be filed [in the office of the Mediation Board] *with the Maritime Commission*;

(e) Shall state specifically the questions to be submitted to the said board for decision; and that, in its award or awards, the said board shall confine itself strictly to decisions as to the questions so specifically submitted to it;

(f) Shall provide that the questions, or any one or more of them, submitted by the parties to the board of arbitration may be withdrawn from arbitration on notice to that effect signed by the duly accredited representatives of all the parties and served on the board of arbitration;

(g) Shall stipulate that the signatures of a majority of said board of arbitration affixed to their award shall be competent to constitute a valid and binding award;

(h) Shall fix a period from the date of the appointment of the arbitrator or arbitrators necessary to complete the board (as provided for in the agreement) within which the said board shall commence its hearings;

(i) Shall fix a period from the beginning of the hearings within which the said board shall make and file its award: *Provided*, That the parties may agree at any time upon an extension of this period;

(j) Shall provide for the date from which the award shall become effective and shall fix the period during which the award shall continue in force;

(k) Shall provide that the award of the board of arbitration and the evidence of the proceedings before the board relating thereto, when certified under the hands of at least a majority of the arbitrators, shall be filed in the clerk's office of the district court of the United States for the district wherein the controversy arose or the arbitration was entered into, which district shall be designated in the agreement; and, when so filed, such award and proceedings shall constitute the full and complete record of the arbitration;

(l) Shall provide that the award, when so filed, shall be final and conclusive upon the parties as to the facts determined by said award and as to the merits of the controversy decided;

(m) Shall provide that any difference arising as to the meaning or the application of the provisions, of an award made by a board of arbitration shall be referred back for a ruling to the same board, or by agreement, to a subcommittee of such board; and that such ruling, when acknowledged in the same manner, and filed in the same district court clerk's office, as the original award, shall be a part of and shall have the same force and effect as such original award; and

(n) Shall provide that the respective parties to the award will each faithfully execute the same

The said agreement to arbitrate, when properly signed and acknowledged as herein provided, shall not be revoked by a party to such agreement: *Provided*, however, That such agreement to arbitrate may at any time be revoked and canceled by the written agreement of both parties, signed by their duly accredited representatives, [and (if) and, if no board of arbitration has yet been constituted under the [agreement] agreement, delivered to the [Mediation Board] Maritime Commission or any member thereof; or, if the board of arbitration has been constituted as provided by this Act, delivered to such board of arbitration.

ARBITRATION AWARD

Sec. 407. (a) The award of a board of arbitration, having been acknowledged as herein provided, shall be filed in the clerk's office of the district court designated in the agreement to arbitrate.

(b) An award acknowledged and filed as herein provided shall be conclusive on the parties as to the merits and facts of the controversy submitted to arbitration, and unless, within ten days after the filing of the award, a petition to impeach the award, on the grounds hereinafter set forth, shall be filed, by one of the parties affected by the award in the clerk's office of the court in which the award has been filed, the court shall enter judgment on the award, which judgment shall be final and conclusive on the parties: *Provided*, That the Maritime Commission may file a petition to impeach the award upon the grounds stated in Section 503 of this Act.

(c) [Such] A petition for the impeachment or contesting of any award so filed shall be entertained by the court only on one or more of the following grounds:

(1) That the award plainly does not conform to the substantive requirements laid down by this Act for such awards, or that the proceedings were not substantially in conformity with this Act or that the award is contrary to the provisions of Section 501 (b) of this Act;

(2) That the award does not conform, nor confine itself, to the stipulations of the agreement to arbitrate; or

(3) That a member of the board of arbitration rendering the award was guilty of fraud or corruption; or that a party to the arbitration practiced fraud or corruption which fraud or corruption affected the result of the arbitration. *Provided*, however, That no court shall entertain any such petition on the ground that an

award is invalid for [uncertainty;] *uncertainty* and in such case the proper remedy shall be a submission of such award to a reconvened board, or subcommittee thereof, for interpretation, as provided by this Act: *Provided further*, That an award contested as herein provided shall be construed liberally by the court, with a view to favoring its validity, and that no award shall be set aside for trivial irregularity or clerical error, going only to form and not to substance.

(d) If the court shall determine that a part of the award is invalid on some ground or grounds designated in this section as a ground of invalidity, but shall determine that a part of the award is valid, the court shall set aside the entire award. *Provided, however*, That, if the parties shall agree thereto, and if such valid and invalid parts are separable, the court shall set aside the invalid part and order judgment to stand as to the valid part.

(e) At the expiration of ten days from the decision of the district court upon the petition filed as aforesaid, final judgment shall be entered in accordance with said decision, unless during said ten days either party shall appeal therefrom to the circuit court of appeals. In such case only such portion of the record shall be transmitted to the appellate court as is necessary to the proper understanding and consideration of the questions of law presented by said petition and to be decided.

(f) The determination of said circuit court of appeals upon said questions shall be final, and, being certified by the clerk thereof to said district court, judgment pursuant thereto shall thereupon be entered by said district court.

(g) If the petitioner's contentions are finally sustained, judgment shall be entered setting aside the award in whole or, if the parties so agree, in part; but in such case the parties may agree upon a judgment to be entered disposing of the subject matter of the controversy, which judgment when entered shall have the same force and effect as judgment entered upon an award.

Sec. 408. If a dispute between an employer or group of employers and its or their employees be not adjusted under the foregoing provisions of this Act and should, in the judgment of the Maritime Commission, threaten substantially to interrupt interstate or foreign commerce to a degree such as to deprive any section of the country of essential water-transportation service, the Maritime Commission shall notify the President, who may thereupon, in his discretion, create a board to investigate and report respecting such dispute. Such board shall be composed of such number of persons as to the President may seem desirable: *Provided, however*, That no member appointed shall be pecuniarily or otherwise interested in any organization of employees or employers. The compensation of the members of any such board shall be fixed by the President. Such board shall be created separately in each instance and it shall investigate promptly the facts as to the dispute and make a report thereon to the President within thirty days from the date of its creation.

There is hereby authorized to be appropriated such sums as may be necessary for the expenses of such board, including the compensation, and the necessary traveling expenses and expenses actually incurred for subsistence, of the members of the board. All expenditures of the board shall be allowed and paid by the Maritime Commission on the presentation of itemized vouchers therefor approved by the chairman of such board.

After the creation of such board and for thirty days after such board has made its report to the President, no change, except by agreement, shall be made by the parties to the controversy in the conditions out of which the dispute arose.

TITLE V. GENERAL PROVISIONS

INVOLUNTARY LABOR

Sec. 501. Nothing in this Act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this Act be construed to make the quitting of his labor or service by an individual employee an illegal act; nor shall any court issue any process to compel the performance of an individual employee of such labor or service without his consent.

UNLAWFUL ACTS; PENALTY

Sec. 502. The willful commission of any act declared in this Act to be unlawful shall constitute a misdemeanor and any person found guilty of such a misdemeanor in any district court of the United States shall be fined not less than \$200 and not more than \$5,000, or shall be imprisoned not more than two years, or shall be both fined and imprisoned, within the discretion of the court.

INVALIDITY OF AWARDS

Sec. 503. *No provision of any award by the Ship Labor Board or by any Board of Arbitration created under authority of this Act, shall be valid which is in conflict with any standards as to wages, hours, manning scales, employment conditions, or other regulations or rules promulgated by the Maritime Commission under authority of the Merchant Marine Act, 1936.*

NO CONFLICT WITH RAILWAY LABOR ACT JURISDICTION

Sec. 504. *No provision of this Act shall be construed to modify, curtail, or restrict the jurisdiction conferred upon the National Railroad Adjustment Board and the National Mediation Board by the Railway Labor Act, as amended.*

AMENDMENTS TO JUDICIAL CODE

Sec. [503] 505. (a) Section 24 of chapter 2 of the Judicial Code, as amended (U. S. C., title 28, sec. 41), defining the jurisdiction of district courts of the United States is hereby amended by adding thereto, after paragraph 28 thereof, a new paragraph numbered 29, as follows:

"(29) Of all suits, proceedings or prosecutions brought or filed as authorized in sections 215, 407, or 502 of the Ship Labor Act, 1937."

(b) Paragraph "Second" of subdivision (b) of section 128 of the Judicial Code (U. S. C., title 28, sec. 225), as amended, is amended to read as follows:

"Third. To review decisions of the district courts, under sections 215, 407, and 502 of the Ship Labor Act, 1937."

(c) Section 2 of the Act entitled "An Act to amend the Judicial Code, and to further define the jurisdiction of the circuit court of appeals and of the Supreme Court, and for other purposes", approved February 13, 1925, as amended, is amended to read as follows:

"Sec. 2. That cases in a circuit court of appeals under sections 215, 407, and 502 of the Ship Labor Act, 1937; under section 9 of the Railway Labor Act, 1937; under section 5 of 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes', approved September 26, 1914; and under section 11 of 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914; are included among the cases to which sections 239 and 240 of the Judicial Code shall apply."

APPROPRIATIONS AUTHORIZED

Sec. [504] 506. There is authorized to be appropriated such sums as may be necessary for expenditure by the [Mediation Board] Maritime Commission in carrying out the provisions of this Act.

SEVERABILITY; TITLE OF ACT

Sec. [505] 507. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby. This Act may be cited as "Ship Labor Act, 1937."

Amend the title so as to read: "A bill to promote industrial peace in the maritime industry, to provide means for the amicable settlement of all disputes between employers and employees that affect the service of carriers engaged in transportation of passengers and property in the water-borne interstate and foreign commerce of the United States, and for other purposes."

The CHAIRMAN. Very well; Mr. Mullen, please take the stand.

STATEMENT OF JAMES MULLEN, NATIONAL MARITIME UNION, COMMITTEE FOR INDUSTRIAL ORGANIZATION

The CHAIRMAN. Mr. Mullen, I assume that in general you are in agreement with Mr. Curran?

Mr. MULLEN. Yes, sir.

The CHAIRMAN. Then it will not be necessary for you to cover the same territory that he did.

Mr. MULLEN. No, sir.

The CHAIRMAN. You have something new and different to present to us?

Mr. MULLEN. Yes, sir. It is dealing more or less with mediations.

The CHAIRMAN. Very well; please go ahead.

Mr. MULLEN. Senate bill 3078 proposes to amend the Merchant Marine Act, 1936, in several respects. This discussion will deal in a general way only with those amendments which relate to the adjustment of labor disputes.

Briefly, the bill proposes to extend to the maritime industry the principles and practices established under the Railway Labor Act. We are opposed to the bill not because we do not believe that the act has been successful, but because it is inapplicable to the maritime industry. The proponents of the bill are relying upon certain easy but erroneous analogies in their support of S. 3078. The fact that both the railroads and the maritime industry are in the field of transportation is no reason why the experience on the railroads should be applied bodily to water transportation. As a matter of fact, there are many manufacturing industries where a proposal of this kind would be far more likely to be practicable and just than in the maritime field.

A false impression is created by the use of the word "mediation" in this bill. As the bill is drawn, there are four distinct types of intervention by the Government which are contemplated.

In the first place, the Mediation Board is instructed to "mediate," in the accurate sense of the word. This means nothing more than that the Board may use its good offices in an attempt to bring together the parties to an industrial dispute. The power to take such steps has always been located in the Department of Labor's Division of Conciliation, and has been used in such strikes as the 1934 west coast strike, the 1935 Gulf strike, the tankers' strike, and many others.

But the bill contemplates other steps. In the event that the Mediation Board is unable to "mediate" the dispute successfully, it may urge the adoption of arbitration. Compulsion to accept arbitration is placed upon both parties in respect to grievances outside of agreements, so that the Maritime Union would, under this bill's provisions, be forced to arbitrate all issues with every line with which it has no agreement. Such arbitration would, in effect, be a union-breaking device. The railway unions agreed to it only after they had become well-established and had agreements with the railroads and, then, only on petty grievances not covered by the agreements.

An even more drastic provision is contained in the section which gives the United States Maritime Commission the authority, upon receipt of a notification from the Mediation Board, to appoint an emergency board to investigate and report concerning the dispute in question. Until 30 days after the Board has reported, both sides are prohibited from making any changes "in the conditions out of which the dispute arose." Thus, a total waiting period of more than 60 days may be required of the parties to the dispute. Since the emergency board is permitted 30 days in which to make its report, both sides may be legally prohibited from taking action outside the machinery of the Government for 90 days.

The National Maritime Union is opposed to the adoption of procedures such as these for several reasons which we regard as of great importance.

In the first place, the machinery and pressures established will certainly have a tendency to "freeze" conditions in the maritime industry. By increasing the difficulties of making changes, by partially prohibiting strikes, Senate bill 3078 will slow down the National Maritime Union in its drive for a decent standard of living for maritime personnel. This statement is borne out by the experiences of the railroads and of the British seamen under the National Maritime Board according to the Yearbooks of the Board. Both British and American seamen's wages fell very sharply after the World War. In 1924, able seamen on American vessels were receiving \$55 per month; in the same year, British seamen were receiving £9. At the present time, American able seamen are paid \$72.50 per month, while British able seamen are still receiving £9. We submit that no lasting industrial peace is possible in the American maritime industry unless the seamen are first given the opportunity to achieve an American standard of living.

In the second place, this legislation would weaken the bargaining position of the maritime unions. We have only one source of strength, and that is our right to refuse to work when our grievances have become too heavy. We do not want to strike; the income which we receive is too small and too uncertain to give any of it up. But we have found from long experience that only when we organize and can demonstrate our collective strength, are we able to improve the conditions under which we work.

Therefore, when we bargain with the employers, we must be able to act freely. The employer can afford to wait; the seamen cannot wait. This bill would stack the cards against the seamen by enforcing a waiting period.

Finally, as I have already pointed out, this bill comes close to being compulsory arbitration generally and in certain instances is, in fact, compulsory arbitration. The power to force a waiting period gives the Mediation Board a club with which to force the union to accept arbitration. If the union still wishes to refuse arbitration, another club is available in the provision that the United States Maritime Commission can appoint an emergency board. The attitude of the Maritime Commission has been such that the National Maritime Union would be reluctant to place its fate in the hands of a board appointed in such a manner.

Much of the argument for this and similar bills has been based upon the success attributed to the National Mediation Board and to the British National Maritime Board. Such arguments are fallacious because they assume without question that the board is responsible for the industrial peace in the industry. In neither case is this true.

It is very difficult to find any parallels between the railroads and water transportation in the United States. Labor relations on the railroads are characterized by the elimination of unfair labor practices, by the development of skilled negotiators, by a long-standing respect of each party for the other, and by a persistent will to agree. The matters discussed concern wages, hours, and working conditions.

There is no argument about the right of the unions to speak for the employees. Spies, strikebreakers, and thugs have disappeared from the industry. In brief, labor relations on the railroads have reached maturity.

None of these conditions prevails in the maritime field. The National Maritime Union itself is in its infancy. The right of the unions to bargain for employees is still being hotly contested between the National Maritime Union and the employers. Constant change is characteristic of industrial relations in water transportation. No attempt to "freeze" conditions as they are can or should be successful.

It is worth noting that in the infancy of labor relations in the railroad industry, the same conditions prevailed as now prevail in the maritime industry. According to the reports of the Commissioner of Labor, there were 639 strikes and lock-outs in the transportation industry from January 1, 1881, to December 31, 1900. Of the 283,023 employees thrown out of work, 195,004 were railroad employees. These disputes were marked by violence, thuggery, and the use of Federal troops. Peace was reached in the railroad operating groups during the nineteenth century. But among the shop and maintenance groups, huge and costly strikes occurred as late as 1922.

The maritime industry is now passing through a phase of labor relations which is long since completed on the railroads. It is absurd to apply identical legislation to both industries as though mere legislation would effect the same result in altogether diverse scenes. The important element is the "will to agree" and the other elements of railway labor relations which I have already pointed out.

The parallel between the Board proposed by S. 3078 and the British National Maritime Board is even less accurate. British seamen are poorly organized and the Union has been maintained for years by a closed shop device. In practice, the National Maritime Board plays a minor role in maritime labor relations. For example, the Monthly Labor Review for November, 1937, tells of an agreement recently reached in England after 7 years of study, greatly improving living conditions on board ship. The National Maritime Board played no part in reaching the agreement. Other evidence indicates that it is not an influential organization.

We submit that any legislation intended to achieve industrial peace in the maritime industry must be examined in the light of conditions in our industry, and not approved simply because of a false parallel with other industries and other legislation.

The CHAIRMAN. Are you familiar with Senator Guffey's bill?

Mr. MULLEN. I am in some respects; yes, sir. I do not recall it right to memory. I remember there was one in the last session of Congress, some time last spring.

The CHAIRMAN. Had you seen the bill with the amendments which the Senator has proposed?

Mr. MULLEN. No, sir.

The CHAIRMAN. Senator Guffey has very kindly permitted us to place that bill, with the amendments, in the first part of today's record; and I wish your group would examine Senator Guffey's bill very carefully.

Senator GUFFEY. Is that the committee print?

Mr. WILLIAMSON. Yes; the committee print, July 13, 1937.

The CHAIRMAN. That is the one that is corrected, Senator.

Are there any questions from the members of the committee?

(No response.)

The CHAIRMAN. Very well; thank you, sir.

Mr. Patrick Whelan, please. Is Mr. Whelan here?

Mr. VAN GELDER. Mr. Chairman, Mr. Whelan is not here. But I, Mr. Van Gelder, will testify.

STATEMENT OF PHILIP H. VAN GELDER, SECRETARY, INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA, CAMDEN, N. J.

The CHAIRMAN. Mr. Van Gelder, what is your relationship to the industry?

Mr. VAN GELDER. I am national secretary of the Industrial Union of Marine and Shipbuilding Workers of America.

The CHAIRMAN. Do you wish to address yourself to the foreign building section?

Mr. VAN GELDER. Chiefly; yes, sir.

The CHAIRMAN. Very well.

Mr. VAN GELDER. I should like to say first that we are in accord with the statement of Mr. Joseph Curran, and support the points that he made before this committee.

The CHAIRMAN. Then, you will not need to repeat those points, will you?

Mr. VAN GELDER. Correct.

I should like to point out, Mr. Chairman, that the shipyard workers for a couple of years have been promised a large construction program in the shipping industry and, as you know, it has been delayed by one reason or another and has never got started.

The CHAIRMAN. Why hasn't it? Why has there been the delay?

Mr. VAN GELDER. Well, there have been a great many reasons advanced, chief of which I suppose is the financial inability of the shipping lines to finance construction, or their part of it.

The CHAIRMAN. You think that perhaps that inability to finance might be founded on the labor troubles on the ocean?

Mr. VAN GELDER. No; I do not think so.

The CHAIRMAN. Proceed.

Mr. VAN GELDER. Now, I want to express the general indignation of the shipyard workers at the suggestion that the subsidized lines may build their ships in foreign countries. In the first place we believe there is no question as to the capacity of the American shipyards to handle the work. I do not know whether anybody has raised the question, but certainly the Commission itself has said that they believe the American shipyards have the capacity to do any work the Commission envisions. And we believe that during the war and immediately after the war the shipbuilding industry was expanded to such tremendous proportions that we delivered as many as 689 vessels in 1 year—1919. Consequently, we maintain that the industry is elastic enough and has capacity enough to do any amount of construction that the Commission can finance or even imagine.

The CHAIRMAN. Mr. Van Gelder, do you seriously have the thought that there will actually be built in foreign yards ships for us, under the American flag, under this law?

Mr. VAN GELDER. I think the way is certainly opened for it.

The CHAIRMAN. Is it not possible that the way is opened for lower prices in American yards, which of course would be of no particular interest to labor as long as the ships are really built there? But would it not be helpful to the Maritime Commission and to the American people to have reliable testimony as to the actual difference in cost?

Now I want to say, for myself, very frankly, that I do not believe any ships are going to be built abroad. But when we start in to subsidize ships and to spend the people's money, we ought to have definite knowledge, if possible, as to what the difference is, in order to give parity to the American ship operator and the shipbuilder.

Senator WHITE. Do you not think that the differential is substantial?

The CHAIRMAN. Oh, yes; there is no question about that. But the question arises all the time, How much are we going to subsidize? And the question constantly arises, How much of our money are we going to use, if we are going to build our merchant marine?

If we are going to build our merchant marine in the American yards, we shall have to spend a lot of money. But we would not be justified in going to the American taxpayers and the American people, unless we can show what the amount of subsidy should be.

Now, I look upon this as a means really of facilitating the building of ships, and facilitating the building of ships in American yards.

Mr. VAN GELDER. Well, Mr. Chairman, I cannot agree with you. I see a possibility, under this amendment, as I understand it, that a substantial part of the shipbuilding will go abroad.

Senator WHITE. If there is economic reason for the building of any ship abroad, why would not the same reason dictate that they should all be built abroad?

Mr. VAN GELDER. They should. I do not know whether the committee has considered this possibility: That there is nothing to prevent a foreign government from granting a comparatively small subsidy to its yard and taking the work away from American yards. If we had a ship to build that would cost 12 million dollars for an American yard to build, and even if a foreign yard could only underbid 2 million, still, if the foreign government would give them one of these concealed subsidies, they could put in a 9-million-dollar bid, and take the work.

Now, we have right here in the Monthly Labor Review, a brief statement of the wages paid in the shipbuilding trades in the Netherlands, 1930 to 1936. This is the current issue of the Monthly Labor Review, and this statement shows that the average wage of the shipyard worker in Holland in 1936 was 40.6 cents per hour. In the same bulletin we can find the average wage in the American shipyard to be 81.7 cents per hour, or exactly double. Now, that indicates something of the competition that American shipyard workers would be put up against. And we may assume that Holland is not the lowest-paid country in the world, as far as labor is concerned, and that if 40 cents is the rate in Holland, the Lord only knows what it might be in Japan or Italy or Russia, or some other European country.

Now, this also is important: The rate of 81.7 cents per hour in the American shipyard is not a high rate; it is considerably below the building construction average, which is 93 cents per hour—a very similar industry. Because over two-thirds of the employees are skilled men in the shipyards.

Now, we can see that if these amendments were adopted, then every time we went out to try to improve our conditions or our wages, the shipyard corporations would set up a howl that "you are trying to drive the work into foreign countries." And I think that that is perfectly obvious.

Mr. Kennedy says that this competition would stimulate a higher standard of efficiency. But we believe that no additional motive is needed for putting efficiency into operation in modern American business. They try to be efficient. But we do believe that, as the easiest variable factor, labor could be out and would be cut if this additional weapon were put into the hands of the shipyard corporations. And instead of stimulating higher efficiency, we believe it would stimulate lower labor standards.

If the Maritime Commission feels that any bid is extortionate or collusive or unreasonable, it has the same power as the Navy Department to examine that bid and to throw it out altogether and to use its authority and its power to force the shipbuilding corporations to submit reasonable estimates. After all, there is a certain amount of competition, at least theoretically, amongst the American shipyards themselves. The Government has built its ships here, and I do not see any reason why the Maritime Commission could not be just as effective.

I think also we should consider the possibilities. I am no expert on the matter; but if this amendment is adopted and the doors are left open for foreign construction, I think there will be a great deal of controversy and a great deal of international intrigue between certain shipbuilding lines and certain foreign countries whereby the work might be sent abroad under one arrangement or another. It is open to all kinds of abuses, it seems to me.

Now the shipyard workers are being laid off in large numbers, today—in Quincy, Mass., in New York, in Kearny, N. J., and Camden, N. J., and in Newport News—the major shipyards of this country. And they are being laid off in the navy yards. And what is needed is construction, and in a hurry. The Navy program has passed its peak of employment, and their new program, whatever it may be, will take considerable time to get under way. And meanwhile we have thousands of shipyard workers wandering up and down the seaboard looking for work. And we feel that this is no time to open the door to foreign shipbuilding, or to send this work abroad.

We also should like to submit an amendment to require shipbuilding corporations that do construction for the Government, directly or indirectly, to comply with the National Labor Relations Act. We have had a very bitter experience with big corporations who hold millions and millions of dollars' worth of Government contracts and yet flout and defy the National Labor Relations Board and the act, refuse to let the Board hold elections, refuse to let them mediate, use every possible legal loophole to obstruct the Board and to evade the act, and are doing it right up until the present moment. And we believe that when the Government puts its money into an industry, then the least that can be expected is that that industry will comply with the Labor Act, in the letter and spirit of the act. So I should ask, Mr. Chairman, that you allow us to have placed in the record this amendment requiring compliance with the National Labor Relations Act.

The CHAIRMAN. It will be received for the record, and inserted at this point.

(The amendment referred to is as follows:)

AMENDMENT TO THE MERCHANT MARINE ACT, 1936, PROPOSED BY INDUSTRIAL UNION OF MARINE AND SHIPBUILDING WORKERS OF AMERICA

No contract for the construction or repair of any vessel paid for in part or whole directly or indirectly by the United States Government or any of its agencies shall be let to any contractor if it shall be made to appear that said contractor is guilty of any breach of the National Labor Relations Act, or, having been found guilty of such breach by the National Labor Relations Board, has not complied with the terms of any order or decision of the said Board; and immediately upon a finding by the National Labor Relations Board that such contractor is guilty of an unfair labor practice as defined in said Act, the said contract shall be canceled or performance thereof by the contractor suspended until compliance by the said contractor with any order or decision of the said Board. In every such case any damage suffered as a result of delay in construction or otherwise because of any strike or suspension or cancelation of the contract shall be imposed and collected from the said contractor.

Mr. VAN GELDER. That is all I have to offer, unless there are any questions.

The CHAIRMAN. Are there any questions by members of the committee?

Senator GIBSON. You made reference to Japan. Are you familiar with the progress made by that nation in building its merchant marine in the last number of years?

Mr. VAN GELDER. In a general way; I know that they have built up a very modern merchant marine—at least, compared to ours.

Senator GIBSON. A superior merchant marine?

Mr. VAN GELDER. I should say so, so far as speed and efficiency, certainly.

Senator GIBSON. Is it not a fact that the wages in Japan are considerably lower than they are in this country or in European countries?

Mr. VAN GELDER. Undoubtedly.

Senator GIBSON. You said that men were being laid off. Is that due at all to the incipient depression through which we are passing?

Mr. VAN GELDER. I believe it is partly due to that.

The CHAIRMAN. Are there any other questions?

(No response.)

The CHAIRMAN. Thank you, Mr. Van Gelder.

The CHAIRMAN. Mr. Eli Oliver.

(No response.)

The CHAIRMAN. Is Mr. Oliver here?

(No response.)

The CHAIRMAN. Mr. John Green.

Mr. VAN GELDER. I was representing Mr. Green.

The CHAIRMAN. Mr. Ralph Emerson.

Mr. VAN GELDER. Mr. Chairman, Mr. Emerson will not be here until a little later. He is over at the House committee, testifying there, right now.

The CHAIRMAN. Very well. Is there anyone else from the C. I. O. union?

Mr. MORT. BOROW. Myself, Senator.

The CHAIRMAN. Very well. Please take the witness stand.

**STATEMENT OF MORT. BOROW, ON BEHALF OF THE AMERICAN
RADIO TELEGRAPHISTS' ASSOCIATION, NEW YORK, N. Y.**

The CHAIRMAN. Very well, Mr. Borow. Please give your name to the reporter.

Mr. BOROW. My name is Mort. Borow.

The CHAIRMAN. Very well, sir. You represent the American Radio Telegraphists' Union; do you?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Very well; please proceed.

Mr. BOROW. Mr. Chairman and gentlemen of the committee, I appear on behalf of the American Radio Telegraphists' Association, an organization composed of citizens employed in every branch of the communications industry, with offices and representatives in every major city and seaport of the United States, and many towns as well. The A. R. T. A., as the association is generally known, is affiliated with the C. I. O. and its subordinate units representing the various crafts engaged in the maritime transportation industry of this country. This association is interested in the legislation now being considered by the Congress to amend Public Law 835, Seventy-fourth Congress, commonly known as the Merchant Marine Act of 1936, because it directly affects the membership of its marine division, the vital interests of all the workers in the industry, and certain basic rights of the American citizenry as a whole. The A. R. T. A. is particularly concerned with this legislation because it is the bona fide union representative of the men who man the communications facilities of the vessels of the American merchant marine—the radio officers.

The A. R. T. A. appears here in opposition to the proposed amendments to the Merchant Marine Act of 1936, as contained in Senate bill 3078.

The CHAIRMAN. What do you mean by "the amendments"?

Mr. BOROW. I shall elaborate and explain just our full position on this, Mr. Chairman.

The CHAIRMAN. You mean certain amendments? You are here to oppose certain amendments? What I want to know is whether you are opposing the bill in its entirety.

Mr. BOROW. We are opposing the bill in its present form, as it is printed in this committee print of S. 3078. With certain amendments that we should like to offer, naturally that would change our position with respect to this legislation.

The CHAIRMAN. All right; proceed.

Senator GIBSON. Amendments to the amendment?

Mr. BOROW. Yes, sir.

This association supports in full the official statement of the New York Maritime Council as presented by Mr. Joseph Curran, president of the National Maritime Union. Similarly, the association bases its general objections on the grounds indicated: First, that the labor sections are coercive in nature and were inspired by shipowners who desire to avoid dealing with legitimate unions; second, that the amendments would institute a system of virtual compulsory arbitration of labor disputes and would destroy present satisfactory mediation machinery; third, that the training-ship proposals disregard the

offers of cooperation by maritime unions and would instead substitute military supervision by men unversed in the merchant marine; fourth, that the amendments run counter to American tradition and would impose a severe hardship on both labor and capital by authorizing substantial building in foreign shipyards; and fifth, that it is inexcusable to lift the \$25,000 a year limitation on shipping officials' salaries in this "sick industry" supported by Government subsidies.

Inasmuch as the radio officers have a somewhat confused status and really an indiscriminate status under the law as it is not written and under the proposed amendments, the A. R. T. A. earnestly believes that the consideration of any amendments to the Merchant Marine Act of 1936 should include, as in S. 3078, the following:

That on page 5, line 12, there be added, after the semicolon, the following words:

or the Federal Communications Commission.

As the radio operators on ships come under the jurisdiction of the Federal Communications Commission and also are licensed by that Commission, we feel that it is vitally necessary to add this wording to this section of the bill.

Senator ELLENDER. To what section were you referring?

Mr. BOROW. On page 5.

Senator ELLENDER. Is that the committee print?

Mr. BOROW. No, sir; it is the regular bill. It is page 5.

The CHAIRMAN. Under subsection 6? Is that right?

Mr. BOROW. Yes, sir.

The CHAIRMAN. All right. And you have the language, there, which you have suggested?

Mr. BOROW. Yes, sir.

The CHAIRMAN. All right.

Senator WHITE. Will you please state your proposal again? I did not have the text before me, before, and could not follow you. Are you proposing a new subsection?

Mr. BOROW. No, sir; I am proposing an addition.

The CHAIRMAN. He wants a new subsection 6.

Senator WHITE. That is what I asked. Are you proposing a new subsection? Will you state that again?

Mr. BOROW. The proposal is, sir, that these words be added:

or the Federal Communications Commission.

Senator GIBSON. In what line?

Mr. BOROW. That is line 12. In other words, as amended this part under "3" will read as follows:

(3) Licensed officers who are members of the United States Naval Reserve shall wear on their uniforms such special distinguishing insignias as may be approved by the Secretary of the Navy; officers being those men serving under licenses issued by the Bureau of Marine Inspection and Navigation;—

and as amended:

or the Federal Communications Commission.

Senator THOMAS. In other words, your amendment would simply be consistent with the present law and would make the law consistent with the present regulations? It would not change a single thing, would it?

Mr. BOROW. Oh, yes, sir.

Senator WHITE. All it would do would be to require that the licensed radio operators on the ship shall wear insignia approved by the Federal Communications Commission? Is that it?

Mr. BOROW. No, sir. Senator, I believe my following testimony will explain in detail just what this will provide.

Senator WHITE. All right.

Mr. BOROW. The A. R. T. A. proposed that the Congress adopt this amendment providing for the legal recognition of the radio operator as an officer, thus recognizing by law what already exists in fact. Herewith it submits its reasons supporting its claim for such recognition:

In the standard agreement which the American Radio Telegraphists' Association has signed with the leading American steamship lines, the following paragraph is included:

Each radio officer employed by the company shall receive the same courtesies, privileges, vacations, accommodations, and food accorded to the licensed watch officers employed upon vessels owned and operated by the company.

In an agreement entered into between the Association of Wireless and Cable Telegraphists of Great Britain and the British Engineering and Allied Employers' London and District Association, which includes the Marconi International Marine Communication Co., Ltd., the Radio Communication Co., Ltd., and the International Marine Radio Co., Ltd., of Great Britain, on June 24, 1937, there appears the following paragraph:

For purposes of social standing, accommodation, messing arrangements and attendance, and so forth, the radio officer-in-charge shall be deemed to be on an equal standing with the second officer or senior second officer where more than one second officer is carried.

It is highly significant that the radio officer of the American merchant marine is the only licensed man aboard the vessel who is not rated by law as an officer, while on nearly all foreign vessels, the radio officer enjoys an official standing equal to or above that of the second officer of the deck department. In some cases he stands next to the master of the vessel.

Since the advent of radiotelegraphy as an aid to navigation, the radio officer has enjoyed the privileges and accommodations of an officer in almost all American vessels of the merchant marine. He was given this status because it was recognized that he had responsibility over a very important department of the vessel. Radio officers dine at the same table with the captain on all cargo vessels, tankers, and in the main dining saloon on many passenger vessels. On the larger passenger vessels, the radio officer usually dines with officers of the deck department, and in this respect is recognized as of equal standing with such officers.

There are many other reasons why the radio officer should enjoy the same rank and social standing as does his foreign colleague on vessels of the leading foreign nations.

The radio officer in nearly all cases has at least a high school education, while a large number have some college training. It is necessary to attend school for a year or more before a radio officer is able to pass the examination and obtain a second-class license. It is then necessary to have 1 year's satisfactory service before he can take the examination for a first-class license. Experience demonstrates that at least 5 years is necessary before an operator is able properly to assume charge of the radio department of a passenger vessel.

The long period of preliminary training required and the expense involved make it imperative that the radio officer be compensated for this outlay of capital and loss of time. Compared to a deck officer who begins as an ordinary seaman, earning wages from the beginning without the expenditure of money for tuition and living expenses, the radio officer's status and remuneration are unenviable to say the least.

The education and ability that are necessary for one to become capable of assuming charge of the radio department on a merchant vessel compare favorably with those necessary for assuming charge of a watch on the bridge or in the engine room department; and the importance of his department as a necessary adjunct to the successful navigation of the vessel makes it imperative that the radio officer be recognized as such by law as well as by custom.

In heavy weather, thick fogs, hurricanes, and disaster, the importance of the radio officer is recognized by everyone. A perusal of the great marine disasters of modern times shows clearly that the average radio officer is second to none in judgment, coolness of mind amid great confusion among others, dependability, and courage in the face of death. The little monument in Battery Park, New York, bears witness to public admission of the heroism of the members of our profession. Great disasters, such as the sinking of the *Titanic*, the *Vestris*, or the burning of the *Morro Castle*, have impressed the minds of all with the outstanding courage and devotion to duty of the members of our fraternity who have stood steadfast in the face of a great calamity.

The American Radio Telegraphists' Association respectfully requests the United States Congress to recognize the responsibility of the radio officer in the merchant marine, and grant the radio officer that measure of justice for which we hereby appeal, by placing him in his rightful legal rank—that of an officer.

I have here an excerpt from a table taken from page 89, pamphlet No. 13, of Merchant Marine Statistics, published by the United States Department of Commerce, 1936, and showing the comparative wage scales paid to American and foreign radio officers. This table is submitted primarily because rank and social status in the merchant marines of the world powers are reflected mostly by means of their economic remuneration. I shall not take the time of the committee to read these figures, but I should like to submit this for the record.

The CHAIRMAN. Very well; it will be received.

(The paper referred to is as follows:)

Comparative wage scales paid to American and foreign radio officers

[NOTE.—This scale is submitted primarily because rank and social status in the Merchant Marines of the world powers are reflected, without exception, by economic remuneration]

Officer	United States Shipping Board	British	Danish	Dutch	French	German	Italy	Japan	Norway
1st mate.....	\$168	\$100	\$113	\$139	\$162	\$121	\$95	\$39	\$103
2d mate	148	72	87	109	101	99	79	27	84
3d mate	133	55	49	77	100	74	71	22	60
Radio.....	99	79	69	178	113	116	108	43	73

NOTE. This table is taken from page 89, pamphlet No. 13, of "Merchant Marine Statistics," published by the U. S. Department of Commerce, 1936.

Mr. BOROW. The pamphlet states as follows:

All wages, except American, are taken from Consular reports. The American figures are taken from reports of the shipping commissioners. The wages on foreign vessels are stated in United States equivalents of the foreign values taken at the exchange rate on January 1 of the year named.

A summary of the above figures shows that the radio officers have a status, insofar as pay is concerned, as follows, in the following countries:

In Great Britain the radio officer ranks in pay and social standing next to the chief officer.

In Denmark, the radio officer ranks next in pay to the second officer.

In Holland, the radio officer ranks next in pay to the captain.

In France, the radio officer ranks next in pay to the chief officer.

In Germany, the radio officer ranks next in pay to the chief officer.

In Italy, the radio officer ranks next in pay to the captain.

In Japan, the radio officer ranks next in pay to the captain.

In Norway, the radio officer ranks next in pay to the second officer.

Senator ELLENDER. How does the highest pay, there, compare with that of the American men?

Mr. BOROW. In actual figures?

Senator ELLENDER. Yes.

Mr. BOROW. I shall give it to you in just a moment, Senator.

Senator ELLENDER. I thought you had it at hand.

Mr. BOROW. Yes; I shall give it to you in a moment.

The chief officer on a vessel under the control of the United States Shipping Board, as of the date when these figures were submitted, of course, receives \$168 per month.

The chief deck officer—that is, the first mate—on a British vessel receives \$100 per month.

Senator ELLENDER. That is a difference of about \$68?

Mr. BOROW. Yes, sir.

Senator WHITE. Are you proposing that all of the radio operators become officers in name?

Mr. BOROW. I would not say "all," sir.

Senator WHITE. Is this anything more than a social distinction, at which you are aiming? Does it involve any change in the qualifications or any change in the status aboard ship, of such men?

What I mean is this: Of course, our Communications Act defines certain classes of operators and prescribes what their qualifications shall be in order to get the licenses of different classes. And that is true of our international agreement, too. All of the nations of the world have agreed as to different classes of operators and as to qualifications for the different classes of operators. Now, are you proposing to change that in any respect?

Mr. BOROW. No, sir.

Senator WHITE. In other words, you do not change their duties or their qualifications, but you call them officers instead of operators? Is that it?

Mr. BOROW. That is correct. That is, to recognize them as officers, by law; in other words, give them legal status as such.

Now, this particular section of S. 3078 would seem even to deny the American radio officer those privileges that he has to date—to claim to be an officer aboard ship. Today on all our passenger vessels the radio officer—as he is referred to aboard ship—wears a regular officer's uniform and has regular officer's designations and

insignia. Now, under subsections 2 and 3, here, that would be denied him. And I shall quote:

(4) The uniform stripes, decoration, or other insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia.

Now, under the present act, and even if it were amended by this section, legally the radio operator is not an officer.

Senator WHITE. No; he is an operator.

Mr. BOROW. Yes, sir.

Senator WHITE. You want him called an officer?

Mr. BOROW. Yes, sir. And we think it is very important.

Senator WHITE. It is largely a matter of nomenclature?

Mr. BOROW. Yes, sir.

Senator GIBSON. Your plea is that the radio operator be given the rank of officer, by law?

Mr. BOROW. Yes, sir—the same as in foreign countries.

I have here, sir, from a survey that we took of the merchant marines in some of the leading world powers, just what the comparison is over there. For instance, in the Italian Merchant Marine the Italian radio operators are officers by law, immediately upon obtaining their radio operator's license. The license costs them about 1,000 lire, and is given for lifetime, without renewal. On all Italian vessels the chief radio officer's official rank is the same as that of the second deck officer and they are accorded the same food, accommodations, and privileges as their corresponding deck officers. Every Italian radio officer has his own room regardless of the type or size of the vessel. They are recognized by the Italian Navy as officers.

This is not a condition in our country.

German radio operators are classified as officers in the German merchant service. They are required to spend 3 years as an apprentice operator after which they become licensed officers by law. As such they are accorded the same rank, food, accommodations, and social privileges as are corresponding deck officers. The chief officer in the deck department and the chief radio officer are of equal rank and station, and so on down the line. For example, on the *Europa* the chief radio officer and the chief deck officer are of equal rank and rate first-class privileges and first-class food. The other deck and radio officers are tourist class. Each of the eight radio officers on the *Europa* has his own room, equipped with a ship telephone in addition to a special communications system to the radio office. The quarters for German radio officers are far superior to any found on American vessels. German radio officers are eligible to become officers in the German Navy.

French radio operators, after passing their first radio examination must spend a certain period at sea before taking an examination for a first-class license. This is somewhat on the lines of the present American system. Upon passing the second examination, he is given a certificate which makes him an officer on board ship, by law. French radio officers are eligible to become commissioned officers in the French Navy.

The CHAIRMAN. Mr. Borow, I am wondering if the thing you want is not something that applies to the whole American merchant marine

and not really to the subsidized vessels. Of course this bill we have before us relates to the subsidized ships.

Mr. BOROW. Yes; that is recognized, Mr. Chairman. But I am sure we shall find the same thing—in fact, we have seen it already—now, as we did under the United States Shipping Board days. The Shipping Board set the pace, and the rest of the industry simply followed right in line.

The CHAIRMAN. I wanted to be sure that you were aware of the fact that this bill relates only to subsidized ships.

Mr. BOROW. Yes, sir.

Senator, we have had considerable difficulty, particularly on the west coast.

The CHAIRMAN. I have heard so.

Mr. BOROW. So have we—particularly on the larger passenger vessels, like the Matson Line, and so forth.

The CHAIRMAN. Didn't you have some trouble also in Rockland County, N. Y., in a town called Spring Valley?

Mr. BOROW. I am not familiar with any of the details.

The CHAIRMAN. Well, it is not a seafaring port, but a radio operator lived there.

Well, go ahead.

Mr. BOROW. On the west coast in the past few months, due to the indeterminate and indefinite status of the radio operator aboard ship, considerable confusion has existed as to the interpretation of the Maritime Act as it is now written. And some shipmasters insisted that the radio operator was not an officer and therefore he would have to have his messing accommodations with the crew. Now, this caused quite a bit of dissension and confusion, and in several instances almost resulted in economic action. It was only through the intervention of the representatives of this association that this action was forestalled.

Senator GIBSON. What do you mean by "economic action"?

Mr. BOROW. The men felt they were being discriminated against in an improper degree, and felt they should follow the example that has been set in the past, of putting a request to the captain that they would like those conditions corrected, or they would refuse to sail.

Senator GIBSON. In other words, they would strike?

Mr. BOROW. That is correct.

The CHAIRMAN. Boycott?

Mr. BOROW. No, sir.

In another instance we appealed to the operator and told him we would try to take this up with the Maritime Commission or the other authorities, and have this classification defined.

We did address a communication to the Chairman of the Maritime Commission, Mr. Kennedy. He stated that under the law as it is now written, he could not take any official position on it.

Senator GIBSON. Have there been many instances where strikes have resulted in such a condition?

Mr. BOROW. No, sir; there has not been one, sir. But the resentment of the men has run quite high at times. It is usually due to some particular ship master or some particular shipping company official who takes a dislike to a particular radio officer and says, "Well, you are not going to have the same courtesies that the rest of the officers have, and you are going to be put back with the crew."

This condition should not be permitted to exist, in our opinion—especially in view of the fact of the reasons that have been brought out here, and because right in the contract with the shipping companies they recognized our right to be designated as officers.

And in comparison with the merchant marines of foreign countries, you have seen for yourselves just what the conditions are over there.

The CHAIRMAN. Do you say that the radio men get better treatment abroad than they do here? Is that your contention?

Mr. BOROW. Well, it all depends on how you mean that, Senator.

The CHAIRMAN. How is that?

Mr. BOROW. It all depends on how you mean that.

The CHAIRMAN. I mean better pay and better quarters and better social standing.

Mr. BOROW. Comparatively; yes. Comparatively; yes.

The CHAIRMAN. What do you mean by "comparatively; yes"? What treatment is due them, as compared with our country? Do they get better treatment abroad than they do here?

Mr. BOROW. I say, comparatively; yes—they do.

The CHAIRMAN. All right; go ahead.

Mr. BOROW. In closing this particular point, I have one more paragraph.

In comparison with vessels of foreign registry, it is conspicuously noticeable that the radio officer enjoys an official and social prestige far superior to that of his American cousin. This is an anomalous situation when one realizes how much superior is the American radio officer to the radio officer of any other nation. In ability to repair his apparatus, make improvements, in speed of transmission and reception of the Morse code, in his expeditious handling of traffic, the American radio officer stands without a peer in any foreign country. Why, then, is not the American radio officer accorded that legal recognition by the Government of the United States which all the world, including the American steamship owners, in signed contracts, and the masters of their vessels, have extended to their radio officers?

Because of the foregoing, the American Radio Telegraphists' Association feels itself justified in requesting the Congress of the United States to fix the legal status of the American radio officer. We therefore urge the enactment of the foregoing amendment, offered by ourselves and with the unanimous support of our affiliated groups—an amendment that would fix by law the radio operator's status as an officer.

The CHAIRMAN. Have you finished?

Mr. BOROW. No, sir.

Senator GIBSON. Let me ask you a question, please.

Mr. BOROW. Yes, sir.

Senator GIBSON. Are not the duties of a telegraph operator and radio operator on board a ship comparable to those of a telegraph operator ashore?

Mr. BOROW. No, sir.

Senator GIBSON. What is the distinction?

Mr. BOROW. There are many distinctions. Number 1, sir, is this: Usually the telegraph operator ashore has practically no apparatus of any consequence that he is responsible for, insofar as being responsible for its operation, maintenance, and upkeep. But aboard

ship, the radio apparatus is much more complicated. That is readily understandable, of course.

Senator GIBSON. That is true, of course.

Mr. BOROW. Yes. Another thing is that the radio operator is required to be familiar with all the rules and regulations of the radio service company which owns and licenses the apparatus. Second, they are required to be familiar with all the rules and regulations of the Federal Communications Commission of the United States, and the international rules regarding radio communications.

Senator GIBSON. And with all the code?

Mr. BOROW. Yes; with all the code. Those are just a few of the differences.

Senator GIBSON. Are there many companies operating radio stations on shipboard, or is it all under one head?

Mr. BOROW. There are two companies that control for the most part the radio communication facilities of the vessels of the American merchant marine: The Radio Marine Corporation of America, which is one, and the Mackay Radio Telegraph Corporation, the other.

Senator GIBSON. Then there is the Globe Co.?

Mr. BOROW. Well, the Globe Co. is confined primarily to the ships of the Dollar Line.

Senator GIBSON. Are there any other companies comparable to the Globe?

Mr. BOROW. Yes, sir. The United Fruit Steamship Co. has a branch or subsidiary which they call the Tropical Radio Co. And they confine their operations, as far as shipboard installations are concerned, to the vessels of the United Fruit Co.

Senator GIBSON. So you would make these radio operators officers? Where would you place them in the scale of the grade of officers?

Mr. BOROW. Well, that would be in my opinion, up to either the Congress or the Bureau of Marine Inspection and Navigation to define.

Senator GIBSON. No; I am asking you.

Mr. BOROW. But in our opinion he should be placed in the comparable status with that of his foreign colleagues—that is, equivalent, we shall say, to a second deck officer. But the primary objective of bringing this issue before the Congress is to have him legally recognized as an officer.

Senator GIBSON. And let the grade be fixed later?

Mr. BOROW. Yes, sir.

Senator GIBSON. Or, rather, "rank," perhaps is a better word?

Mr. BOROW. Yes, sir.

Senator VANDENBERG. Do you contend this bill actually demotes you?

Mr. BOROW. Yes, sir; it does.

There is another very important point which I have not brought up, and that is that many of our members hold commissions in the Communications Naval Reserve of the United States Navy. Under this amendment, here—S. 3078—they would not be given the same privileges as other licensed officers who are members of the United States Naval Reserve. They will not even be permitted to wear a uniform, in spite of the fact that they are commissioned officers of the Communications Naval Service of the United States Naval Reserve.

The CHAIRMAN. May I say that, as I have listened to this witness, he really wants an amendment to the general Seamen's Act, so as to give protection to the radio men all through the merchant marine. But I suppose that, failing that action at the moment, he would like to have this act amended to take care of the subsidized ships, to give the radio men the standing suggested. Is that right?

Mr. BOROW. Yes, sir; that is No. 1. No 2 is the other point I brought out, sir—that it is on the basis of what happened in the Shipping Board days: When the Maritime Commission sets certain standards, the rest of the industry will fall right in line. We have even had instances of that since the Maritime Commission has been in effect.

The CHAIRMAN. Mr. Borow, you seem to be a very intelligent gentleman. Do you think that maritime labor has better treatment and greater consideration in foreign countries than it has here?

Mr. BOROW. Well, on that, I cannot say; because I really do not know. I have not made a study of it.

The CHAIRMAN. You have no answer to make to that?

Mr. BOROW. No, sir.

The CHAIRMAN. All right; go ahead.

Mr. BOROW. I should like to say this: I should like to make a comparison, sir, between conditions as they exist today and as they existed several years ago.

The CHAIRMAN. Do you mean they are much better now?

Mr. BOROW. Well, let me explain, please, sir.

In 1934 I was a radio operator on the *Morro Castle*—that is the ill-fated *Morro Castle*. And the conditions aboard that ship were abominable—as your own committee has investigated and determined. There were certain of those conditions that I brought to the attention of the chief mate of that vessel, and complained about them, particularly with respect to food and discipline and fire and boat drills. And for going to such trouble, I was summarily discharged just 1 month before the fatal voyage when the vessel caught fire.

Now, around 2 or 3 months ago I took a trip on the S. S. *Oriente*, which is a sister ship of the ill-fated *Morro Castle*. And it was miraculous, to me, just to see the change, from the top all the way down to the bottom.

The CHAIRMAN. You think our investigation did some good, then?

Mr. BOROW. I do; I do think so. I think the investigation did some good, and I think the fact that the maritime unions have strengthened has done considerable good. Because there are many conditions which would probably have continued, which existed before, which have been stopped through the action of the National Maritime Union and other groups in the maritime industry.

The CHAIRMAN. Is it your belief that we are on the way to a better understanding between labor and the operators of ships?

Mr. BOROW. Yes, sir. I think it has been a long time coming, but I think it is getting here. But I do not think, Mr. Chairman, that we will help the situation by submitting legislation calling for compulsory arbitration, such as has been recommended by the Maritime Commission. In other words it should be something free and willing, coming from both sides—from capital on one side and labor on the other. This certainly would not be the case if this compulsory arbitration were required.

The CHAIRMAN. Do you believe that it is important that there should be some system worked out by which there may be stability of employment and encouragement to operators to operate their ships? Is that important?

Mr. BOROW. Would you repeat that question, please?

The CHAIRMAN. I say, is it important that there should be an understanding between labor and the operators of the ships, in order that there may be a building up of the American merchant marine?

Mr. BOROW. Yes, sir. And I think that we are making very good progress in that respect through the mediation sections in the agreements now being signed between the unions and the employers.

The CHAIRMAN. And yet we are not building ships.

Mr. BOROW. Well, is that the fault of the shipowners?

The CHAIRMAN. No; I would not say it was the fault of the shipowners. It is contended that it is the fault of capital, that it will not go into shipbuilding so long as conditions are so disturbed.

Mr. BOROW. In looking over the past history, generally, we have seen that the American Government has put a great deal of money into American ships, previously, through the mail contracts.

The CHAIRMAN. Do you think that system should have been continued?

Mr. BOROW. No, sir; I do not. But even when the shipowners were getting all this money in the form of these mail contracts, they did not build any ships at that time.

The CHAIRMAN. And they are not building any now?

Mr. BOROW. That is correct.

The CHAIRMAN. And the reason why this bill was presented, according to the testimony of Mr. Kennedy, was because they could not build ships under the law. It is necessary to have changes in the law in order that there might be construction. And certainly if there is one group in the world interested in the matter of construction, it ought to be maritime labor; isn't that so?

Mr. BOROW. That is correct.

The CHAIRMAN. Well, I am anxious to know this: Do you think that progress is being made as rapidly as possible in reaching an understanding between ship operators and labor, in order that there may be an advance in shipbuilding?

Mr. BOROW. In order that there may be an advance in what?

The CHAIRMAN. In shipbuilding.

Mr. BOROW. Well, in shipbuilding: With particular respect to shipbuilding, I am not fully qualified to speak on that matter. That is in Mr. Van Gelder's line.

The CHAIRMAN. I am not talking about conditions in the shipyards. I mean the general proposal to build up the American merchant marine. It is not being built up, is it?

Mr. BOROW. That is quite true.

The CHAIRMAN. And when you consider the number of ships that are acceptable according to the standard of 20 years of age, the number we have is pitifully low, is it not—and nothing in sight for the moment, for the construction of ships to replace these ancient types?

Now, certainly labor must have a great interest in the upbuilding of the merchant marine, in order that there may be employment.

Mr. BOROW. That is true. But we certainly will not get it by building ships in foreign shipyards, as has been proposed here.

The CHAIRMAN. Well, let us leave that; that has no particular bearing on this matter.

If you had \$100,000,000, would you spend it in American shipyards, in building ships here and putting them under the American flag, as conditions exist today?

Mr. BOROW. If I had \$100,000,000?

The CHAIRMAN. Of course that is just as impossible to me as it is to you. But if you had \$100,000,000 would you build ships and operate them under the American flag, under present conditions?

Mr. BOROW. Well, I am not qualified on that.

The CHAIRMAN. All right; go ahead.

Senator GIBSON. Have you been at sea fairly regularly during the last year or two?

Mr. BOROW. Not the last year or two, sir. Senator, if you will just pardon me a moment, I want to say with respect to the question of Senator Copeland, that judging from past experience it seems that those in control of the shipping industry are not really interested in building new ships; they are interested in turning over a lot of money for themselves. That is the way it appears to us.

The CHAIRMAN. They have not done that for quite a number of years, have they?

Mr. BOROW. Well, take the——

The CHAIRMAN. The United Fruit Line?

Mr. BOROW. I could scarcely call the United Fruit Line an American company; 50 percent of their ships, or approximately, are under a foreign flag.

The CHAIRMAN. Why?

Mr. BOROW. I believe they are best qualified to answer that.

The CHAIRMAN. Is it not because they want to make some money?

Mr. BOROW. Naturally all business wants to make money.

The CHAIRMAN. Let us not spar about it; let us be frank about it. You, representing labor, have a definite objective, not alone to improve working conditions but to increase employment; is not that true?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Can you expect to achieve your objectives unless you have peace with those who operate the ships? Remember, I am not saying that they are not to blame. Do not misunderstand me. I have said more mean things about American ship operators than any other man in this room; I am not defending them. That is not the question.

But what I want to know from you is this: Is it not of vital importance to maritime labor, that there should be an upbuilding of the American merchant marine?

Mr. BOROW. Yes, sir; there is no question about that.

The CHAIRMAN. Well, considering the fact that there are so many labor disputes and labor troubles and atrocities, I may say, do not those things have a lot to do with the interference with the flow of capital into the building of ships?

Mr. BOROW. I would say that they perhaps did. But we want to speak in the present and in the future, Senator. We have been going through a period of transition, here, as has been brought up here before, I am quite sure. And we have been moving through the time when the shipowners have been taking a positively dogmatic

stand with respect to labor; they just would not deal with us under any conditions, regardless of the Wagner Labor Relations Act. We have many things to prove that, and I am sure the Senators themselves realize that.

But now with this new day that is coming on for all of us, the shipowners and the maritime unions are getting together. Because of the recalcitrant attitude on the part of shipowners dealing with labor, we have had a great many disputes. But in the past month there have been hardly any disputes.

The CHAIRMAN. You read in the morning paper some terrible stories about a ship called the *Alge*?

Mr. BOROW. That situation I understand happened prior to a month ago.

The CHAIRMAN. Oh, the events happened 3 or 4 months ago, but the trial is on now.

Mr. BOROW. Do you feel that the shipowners have no responsibility whatsoever in any of these things, Senator?

The CHAIRMAN. Do you question that I believe that they have?

Mr. BOROW. Well, from the line of your questioning.

The CHAIRMAN. Not at all. The ship operators are merely employees, like you. They are employees. The success of the building up of the American merchant marine depends upon capital—upon getting money either from the Government or from private sources.

Now, you, as maritime labor, are dealing with maritime executives who are employees. The money in shipping is not from the pockets of the men who operate the ships. The money in shipping comes from the bankers and, through the bankers, from the American people. If you follow back to the last man involved, you will find that small investors are the ones who have the money.

Now, if you get in your mind that you are dealing with employees like yourselves, then you might come to some happy solution. And I think that is very important.

So far as this committee is concerned, there are no ship operators here or shipowners or ship investors. We are here trying merely the best we can to find a way to build up an American merchant marine. And it is merely a waste of time for us to talk about your grievances with the operators.

How can we stop it? How can we get together? Are you doing your part; are you going as far as you ought?

Now, I assume you will say "Yes". But yet you go over in the Commerce Committee room and see a picture there, showing our merchant marine as compared with the merchant marine of Great Britain and of other nations: It is pathetic; it is heartbreaking.

Now, what are you going to do to help it?

Mr. BOROW. Well, Senator, I do not think that we could say that the shipping industry has been in a state of depression ever since the World War—that the shipowners must have made, and those investing money—that is, from private capital, in shipping—must have received some returns in the last 15 or 20 years, let us say.

The CHAIRMAN. Have you taken pains to see whether they did or not?

Mr. BOROW. Well, I have consulted various statistical records and so forth. But the fact remains that they have not built any ships in the past 20 years—that is, not to amount to anything. And certainly they were not losing money in all these years.

The CHAIRMAN. Well, go ahead. Have you anything else to say?

Mr. BOROW. Yes; I should like to discuss one or two further points.

Senator VANDENBERG. In line with the questions Senator Copeland has been asking you: Let me concede that the attitude of the maritime employer has been wrong; let us start with that concession.

Mr. BOROW. Yes, sir.

Senator VANDENBERG. Still we confront a condition and not a theory, today. And part of that condition is a growing feeling in the minds of the American public that it is not even safe to ride on an American ship because of the disintegration on that point. Do you share that feeling?

Mr. BOROW. No, sir; I do not.

Senator VANDENBERG. Do you think discipline aboard a ship today is as good as it was 5 years ago—just discipline on the ship, at sea?

Mr. BOROW. Well, it seems there are two different kinds of discipline.

Senator WHITE. The trouble has been that you have not been willing to carry on your contests on land.

Mr. BOROW. Pardon me, sir?

Senator WHITE. The trouble is that the contests between labor and the ship operators have not been confined to land, but they project right out on to the ship while it is at sea. And I agree with Senator Vandenberg that there is a feeling all through this country today—a feeling that it is not safe to travel on an American ship because of an utter definance of discipline. And that has to be cured.

Senator VANDENBERG. That has to be cured, from your point of view; because it does not do you any good to achieve all the benefits you seek, if you destroy the American trade in American ships through a loss of confidence because of these incidents I am talking about.

Have you never heard of these incidents at sea?

Mr. BOROW. I have heard of these incidents, and been very suspicious as to what is the responsibility for them.

The CHAIRMAN. You mean they might have been facilitated?

Mr. BOROW. Yes; or used for a particular purpose.

The CHAIRMAN. Let me ask you this. Have you made a contract with the Black Diamond Line?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Is it a satisfactory contract?

Mr. BOROW. It is a very good contract.

The CHAIRMAN. Do you remember the date of that contract?

Mr. BOROW. The original contract was signed some time ago; I do not remember the original date. But I signed a contract, myself, on September 30 of this year, with the Black Diamond Line.

The CHAIRMAN. And you have what you consider a very satisfactory agreement with the Black Diamond Line?

Mr. BOROW. Yes, sir.

The CHAIRMAN. All right.

Then I want to read a letter for the record, from a man who has absolutely nothing to do with the American shipping, and who states that he was a passenger on the *Black Falcon*, which I understand is one of the Black Diamond Line, which sailed on October 30, 1937, from New York to Rotterdam:

DECEMBER 3, 1937.

Subject: Disorder and lawlessness on Steamship *Black Falcon*, sailing October 30, 1937, from New York to Rotterdam.

HON. ROYAL S. COPELAND,
The Senate, Washington, D. C.

DEAR SENATOR. I was a passenger on the above steamer operated by the Black Diamond Line, and spent 13 days of about the worst treatment, in common with several other passengers, that could be faced. This abuse, intimidation, and disorder were due totally to the crew, including the master and mates. The master was cowed and powerless; the first mate expressed the admission that he was "red"; the second mate was a surly disagreeable character; and the third mate was continually ordering passengers from any place that he wished, though in one case countermanded by the master.

The first 2 days the cook dealt out liquor to make many of the crew drunk, and this cook was apparently the leading agitator and leader of the mutinous crew. The same cook repeatedly refused to do his obvious duties, on one occasion he engaged in cursing and abuse of the master, with an intimidating committee of the crew, over his refusal to cook dinner. On one occasion the same cook refused to fry two eggs for breakfast, on request of the writer. Most of the crew were snarling and showing threatening manners to the passengers on every occasion where it was necessary to come in contact with them.

The crew did little work on deck, tossed into the sea all the forward deck cargo—each drunken sailor tossing some overboard as he passed on the deck. The aft deck cargo was hardly lashed, and a great part of it was lost, due to this wild conduct and failure to properly stow it. There was quite a lot of water taken on deck, but to me this was due to the fact that the sailors acting as quarter-masters did not care how then steered. On one occasion we noticed a variation of 120° in the course; and on another occasion the first mate rushed to the wheel house as the ship veered about 45° or more from its course, to find what was going on. Few of the crew could speak English properly, and were obviously qualified as Americans only by law, not by birth or characteristics, the third mate was Lithuanian, and spoke English in a broken manner. The American-born members of the crew were not in agreement with, and were anxious to get away from the communistic and alien group of mutinous hoodlums led by the cook.

To find the motives for abuse of the passengers, it seems that the crew claimed that the passengers occupied cabins that should be given to the crew, and possibly had taken these methods to drive the passengers off the line. I was told that the crew "struck" to have their favored first mate engaged for the voyage; they or their fellow strikers some weeks before had beaten the ship's steward, so he was cowed. The cook's refusal to cook fried eggs, when he had boiled eggs on the menu, the refusal several times to serve food to the passengers within the published hours (served only promptly at the first few minutes of the appointed time, and not later) was only the most effective means that the crew could use against the passengers. The fierce and menacing and surly actions when a passenger came in contact with members of the crew cannot be adequately stated in words.

The darkening of any available lounging space at night, avoidance of passengers by master and mates, even when addressed by the passengers, was the rule.

The driving of passengers off the ship and the destruction of cargo by such sabotage as we witnessed, can lead to only one end. The destruction of American shipping. It will be useless to try to maintain a merchant marine under such lawless and mutinous conditions.

I personally have no stake in the matter, except as an American. I actually enjoyed the experience on the crazy-steered course, by the hooligan crew, including the mates, and the cowed and intimidated master. However, it was deemed best to make my return by another line, the Compagnie Maritime Belge, where an American was safe and well treated in every imaginable way.

Very truly yours,

Mr. BOROW. Whom is that signed by?

The CHAIRMAN. I shall consult with the committee about putting it in the record.

But listen: This is not the only letter; this is characteristic of the complaints that have come, about American crews.

Now, I am interested, and the committee is interested, in building up an American merchant marine. How can we hope to do it, when the American public is coming to realize and to believe that it is not safe to travel on an American ship. And here you say that the Black Diamond Line, of which this ship is a member, has a most satisfactory contract with labor; and yet this is the way the employees of the ship acted toward the passengers. Now, how are you ever going to build up an American merchant marine?

Mr. BOROW. I do not accept that letter.

The CHAIRMAN. You just deny the letter?

Mr. BOROW. No, sir; I don't deny the letter.

The CHAIRMAN. You deny the allegations of the letter?

Mr. BOROW. Well, it is hard for me to take any reasonable position on the letter at all. I don't know the circumstances under which it was written. I don't know whether the gentleman who wrote that was nuts or crazy or screwy.

The CHAIRMAN. You have not heard of any other instances like that?

Mr. BOROW. I have heard of a number of instances, and I have heard of instances years ago, too, but which were a lot worse than the writer of the letter says the conditions are. But nothing was done at that time.

But it seems you are trying to use those things for a particular purpose.

The CHAIRMAN. What is the purpose?

Mr. BOROW. And not for the purpose of building up the American merchant marine, I must say.

The CHAIRMAN. What is the purpose?

Mr. BOROW. I think you know, as well as I do.

The CHAIRMAN. What is the purpose?

Mr. BOROW. The purpose, as I see it, is you want to use things like that to force through legislation which would provide for compulsory arbitration of labor disputes.

The CHAIRMAN. It is not. I have no more interest in that legislation than any Member of Congress; I am not excited about it in the least.

Personally I have no hope for the upbuilding of the American merchant marine. If I had \$100,000,000, I should not build a ship in an American shipyard, to sail under the American flag, because I know I would lose my hundred million.

I read this letter for just one purpose. And that is, to make clear to you gentlemen who come here as representatives of American labor—and of labor with which Congress has great sympathy the true situation, in order that you may know what you have to face. And this will not be the end of it; there will be a great deal more of it from officials of this Government, to show what is going on, on the sea.

And, Mr. Borow, what we must have in order to have an American merchant marine is this: There will have to be an understanding between maritime labor and the men who operate the ships.

Mr. BOROW. Maritime labor is doing its part now, Mr. Senator, and is willing to do its part.

Senator VANDENBERG. Will you consider that any circumstances, at sea, would justify a sit-down strike at sea?

Mr. BOROW. No, sir; under no circumstances whatsoever.

Mr. CHAIRMAN. Mr. Borow, I am sorry the time has come when we must adjourn. If you care to come again, you will be very welcome and we shall be glad to be told very fully of the grievances of labor, and particularly the ambitions of labor. But we want to learn, before we pass any laws or appropriate any more money, whether it is worth while to do so.

Senator GUFFEY. Will the witness be here tomorrow?

The CHAIRMAN. We shall meet again tomorrow at half past 10, if you care to come, Mr. Borow.

Mr. BOROW. Thank you, sir.

Senator PEPPER. And all the labor people understand that they will have a full opportunity to be heard?

The CHAIRMAN. Oh, absolutely. We have the names of their witnesses, and we shall hear every one.

(Whereupon, at 12:05 p. m., an adjournment was taken until tomorrow, Wednesday, December 15, 1937, at 10:30 a. m.)

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AMENDING THE MERCHANT MARINE ACT OF 1936

WEDNESDAY, DECEMBER 15, 1937

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to adjournment at 10:30 a. m., in the caucus room, Senate Office Building, Senator Royal S. Copeland, chairman of the Commerce Committee, presiding.

Present: Senators Copeland (chairman of the Commerce Committee, presiding), Thomas of Utah, Ellender, Vandenberg, and Gibson.

The CHAIRMAN. The committee will please come to order.

Mr. Borow, how long will you need?

Mr. BOROW. It will depend on the questioning, sir.

The CHAIRMAN. Mr. Fletcher, we will hear you first, then.

STATEMENT OF R. V. FLETCHER, GENERAL COUNSEL OF THE ASSOCIATION OF AMERICAN RAILROADS, WASHINGTON, D. C.

The CHAIRMAN. Very well, Mr. Fletcher.

Mr. FLETCHER. My name is R. V. Fletcher. I am a lawyer and live in Washington and am general counsel of the Association of American Railroads.

The association that I represent has in its membership about 97 or 98 percent of the mileage of the class 1 railroads of the United States and the roads of Canada and Mexico as well. I appear here only for the purpose of making a very brief statement with respect to two sections of the act, these being section 44, appearing at pages 31 and 32 of the committee print, and also section 1001, appearing at page 33.

The CHAIRMAN. Are you speaking now of the committee print or of the bill?

Mr. FLETCHER. I have what I understand to be a copy of S. 3078.

The CHAIRMAN. That is right; page 31.

Mr. FLETCHER. Pages 31, 32, and 33. I call the attention of the committee to the fact that page 33 defines "maritime employer" as "any person not included in the term 'carrier' in title I of the Railway Labor Act."

And if I properly construe the language, that is entirely satisfactory to the railroads. What we are trying to make clear to the committee is the desire of the railroads that their employees subject to the Railway Labor Act shall not inadvertently be included in this bill.

Now referring to section 44, which according to my print begins on page 31 and extends over into page 32, there are a number of provi-

sions there, no doubt of importance to the maritime workers, but which would not seem to be appropriately applicable to the employees of the railroads operating on their car ferries. And I am speaking now particularly of the car ferries which operate across the Great Lakes, in connection with the Grand Trunk Railroad, the Pere Marquette Railroad, and the Ann Arbor Railroad; and I doubt if it was the intention of the draftsmen of the bill or of the committee to include those employees within the scope of this bill, because they are subject to the Railway Labor Act.

The CHAIRMAN. Are they so indicated now by the Interstate Commerce Commission?

Mr. FLETCHER. They are, and by the authorities that enforce the Railway Labor Act and the Mediation Board and all the machinery of the Railway Labor Act.

I am going to suggest that there be added to section 44 of this act the following:

(d) This section shall not apply to employees on car ferries and transports or lighters subject to the provisions of the Railway Labor Act.

That is all, Mr. Chairman. Thank you.

The CHAIRMAN. Thank you, sir.

The CHAIRMAN. Are there witnesses who have come a long distance to testify? Are there such witnesses? If so, please stand up.

Mr. EDGAR N. GOTT. I am from a distance.

The CHAIRMAN. Where are you from, please?

Mr. GOTT. San Diego, Calif.

The CHAIRMAN. Do you want to be heard?

Mr. GOTT. I should like to be.

The CHAIRMAN. Very well, if you will please wait just a moment. We shall call you after Mr. Borow is heard.

Now, is there anyone else who comes from a distance?

(No response.)

The CHAIRMAN. Very well. Now, Mr. Borow, please proceed with your testimony.

FURTHER STATEMENT OF MORT. BOROW, SECRETARY, AMERICAN RADIO TELEGRAPHISTS' ASSOCIATION, NEW YORK, N. Y.

Mr. BOROW. Mr. Chairman and gentlemen of the committee, continuing the presentation of our case, from yesterday, we take up the question of training ships. On this question, let us repeat again that the A. R. T. A. is in firm accord with the position of the New York Maritime Council, as stated by Mr. Joseph Curran, president of the National Maritime Union, to wit, we are in favor of this amendment, but only under certain conditions. A cardinal reason why the maritime unions look upon this amendment as now proposed with profound suspicion is because those shipowners who have been most vigorous in pushing this amendment are the very ones who have ignored the fundamental principles of decency, good seamanship, and enlightened discipline in the past.

The CHAIRMAN. May I interrupt you at this point?

Mr. BOROW. Yes, sir.

The CHAIRMAN. You speak as if this bill were the shipowners' bill. This bill came to us from the Maritime Commission. Why are you speaking about the shipowners doing this or that?

Mr. BOROW. Well, we have certain feelings with respect to this legislation; and that happens to be one of them.

The CHAIRMAN. Is that one trouble with the whole business: That there are too many feelings?

Mr. BOROW. It may be, sir, on both sides.

The CHAIRMAN. All right.

Senator VANDENBERG. I think that is a fair statement.

Mr. BOROW. Thank you, sir.

For instance, the vice president of the Moore & McCormack Steamship Co., Mr. Robert C. Lee, in speaking before the Women's Organization for the Advancement of the American Merchant Marine, at the Hotel Commodore, New York City, on December 8 stated—paraphrased:

a large fleet of modern merchant vessels would be useless unless properly trained and disciplined men were furnished to man these ships.

And while literally hundreds of bona fide seamen were, in the seamen's parlance, "on the beach," on the other hand agents for the company, in the summer of 1936, actually engaged and retained in its employ known criminals and fugitives from justice: Manny Moore, wanted for assault and murder, in Houston, Tex.; Louis Factor, wanted in Port Arthur, Tex., for carrying dangerous weapons and inciting to riot. When this untoward condition was complained of to Captain Ebby, port captain of the company, in Philadelphia, he stated:

We're not going to let these men go and permit a bunch of radicals to get control of our ships.

Then again, in the month of November of the same year, and with thousands of real seamen available up and down the Atlantic seaboard, that company, rather than submit to fair labor practices—practices since upheld by the Supreme Court of the United States—actually engaged circus hands in the place of experienced sailors, firemen, and stewards, as the following affidavit will show.

And I shall submit this affidavit for the record, with the permission of the chairman [reading]:

PHILADELPHIA, PA., November 21, 1936.

To whom it may concern:

On the Steamship *Commercial Alabaman* of the Moore & McCormack Lines (Moore-Mack Lines) at the port of Port Tampa, Fla., on or about the 10th of November 1936 the crew of about 12 men left ship on strike. These men were replaced by mostly inexperienced men, for the most part circus hands from Ringling Bros. Circus, which was partially disbanding for their winter quarters at Tampa, Fla.

These men were issued union books on short notice, without proper procedure, by the I. S. U. delegate in Tampa, Fla., according to dictations of the steamship company's agent in Tampa, Fla. Four of these inexperienced men, engine-room helpers, left ship in Miami about 2 days later and again replaced by men, mostly inexperienced and without proper union credentials.

According to my observations, personal contact and conversations heard, most of these men were inexperienced as seaman, without union affiliations.

Signed, FRANK FREY,

formerly Radio Officer of Steamship "Commercial Alabaman."

PHILADELPHIA, PA., November 21, 1936.

STATE OF PENNSYLVANIA,

County of Philadelphia, ss:

Affirmed by Frank Frey before me this 21st day of November 1936.

ELLEN E. DEADY, Notary Public.

My commission expires March 25, 1937.

(The above paper is filed with the Clerk of the Commerce Committee.)

In other statements, the Moore & McCormack Steamship Co. would not employ experienced radio officers, couched in the tradition of the sea and conversant with the marine radio-operating profession. Here again we have this attitude of the company. In their stead, agents of the company and the honored Mr. Lee himself would specifically request green and inexperienced radio operators, right from the schools, rather than hazard the possibility of getting an experienced man who was more likely to be a member of a labor organization.

The pay situation was not in issue because the shipowners' established scale was universally paid on the east coast at that time.

And many similar instances can be cited. That Mr. Lee or other officials of the company had no knowledge of such malpractices, would be a presumption on our part. Yet Mr. Lee and his colleagues are the very ones who are so vigorously sponsoring the amendment providing for training ships, staffed by the military. Is it any wonder that the seamen look with suspicion on such proposals?

Then we have the case of Mr. William K. Jackson, vice president and general counsel of the United Fruit Co., addressing the New York Propeller Club just a few weeks ago. Mr. Jackson, as we all know, represents a very patriotic steamship company—steeped in the tradition of sacrifice to the best interests of our great country, a company with 50 percent of its tonnage under foreign registry. The point that maritime labor raises is, Why should any consideration be shown such interests whose only patriotic concern is the eagle on the American dollar? If the United Fruit Co. were so interested in the welfare and development of the American merchant marine, to "aid the foreign and domestic commerce of the United States and to provide for the national defense," why do they build their ships abroad, place them under foreign registry, and deny employment to American citizens?

Mr. Jackson's other objections to the Merchant Marine Act of 1936 as now written, as presented to the aforesaid Propeller Club, include an observation as follows—paraphrased:

Of all the maritime nations of the world, the United States has lagged behind in its approach to the question of the training of adequate personnel. We have available in this country seamen and sailors who are just as intelligent as those who sail the ships of foreign nations, but these foreign nations have afforded their sailors and seamen the facilities for intensive education and training in jobs which they are called upon to perform.

This point, paradoxical as it may seem, we find being raised by a representative of a company which, by its indisputable record, is shown to have consistently engaged untrained and inexperienced foreign seamen and, in many cases on record, to have given preference of employment to absolutely green radio officers, when well-trained and well-qualified men were readily available.

Senator THOMAS of Utah. Mr. Borow, how many radio officers' unions are there in the United States?

Mr. Borow. There is one under the C. I. O., which is the one I represent and which has contracts with all the shipping companies on the west coast and with quite a number on the east coast and the Gulf coast and the Great Lakes.

There is another union, under the American Federation of Labor, which had its inception at the close of the last maritime labor dispute which took place on the Atlantic coast.

Senator THOMAS of Utah. Is this union affiliated with the radio workers who operate on land?

Mr. BOROW. You mean this American Federation of Labor Union?

Senator THOMAS of Utah. No; either of them.

Mr. BOROW. Yes, sir; they both are.

Senator THOMAS of Utah. Then, a man can take his union card and get a job in a radio station on land or can get a job on the sea?

Mr. BOROW. No; not necessarily, sir. You see, there are two classes of licenses generally issued by the Federal Communications Commission.

Senator THOMAS of Utah. I am talking about the membership in the unions, not the licenses.

Mr. BOROW. But this has a bearing. The Federal Communications Commission divides radio operating into two classes—radio telephone and radio telegraph. You must have a radio telegraph license in order to work on a ship at sea, whereas to work in a radio broadcasting station you must have a radio telephone license.

Senator THOMAS of UTAH. Then you have your unions organized in accordance with the Federal regulations, do you?

Mr. BOROW. That is correct.

Senator THOMAS of Utah. Can a man transfer from one to another?

Mr. BOROW. You mean from the American Federation of Labor to the C. I. O. Union?

Senator THOMAS of Utah. Yes.

Mr. BOROW. Yes; that is what they are going every day.

Senator THOMAS of Utah. Are there any radio unions that are closed, now, so that no one can join them?

Mr. BOROW. On the west coast, where there has been a program of stabilization in the industry up there, the A. R. T. A. on the west coast is closed.

Senator THOMAS of Utah. What do you mean by "stabilization in industry?"

Mr. BOROW. Well, you understand that when a union succeeds in building up the conditions and raising the wages in a particular line of endeavor, there is an automatic influx of a great number of men who otherwise would not work in such an industry. In order to stabilize employment and protect the men who have been in that particular industry and built it up, they have closed the books. That does not mean that they are not taking in anybody, under any circumstances, terms, and conditions; but it is more restrictive than it has been in the past. Preference is given at all times, even on the west coast where we have our union books closed, to men who have had service in the United States Navy, United States Army, and United States Coast Guard.

Senator THOMAS of Utah. What if this happened: A young man graduates from college and becomes a radio engineer and an expert. He goes, let us say, to Los Angeles; and he is offered a job by a radio concern, but is told that he must show union membership, because it is a closed shop. And he goes to the union and asks for membership, and they deny him membership. What becomes of that fellow?

Mr. BOROW. Well, it is very seldom that an outright denial is made. Senator THOMAS of Utah. Has it ever happened?

Mr. BOROW. It may have happened.

Senator THOMAS of Utah. Is that common practice?

Mr. BOROW. Not outright denials; no, sir.

Senator THOMAS of Utah. Well, is it good practice, from the ethics of your organization?

Mr. BOROW. You must realize, Senator, that a certain amount of protection must be accorded the men who are employed in the industry.

Senator THOMAS of Utah. But here is a man, offered a job, which shows that they need a man; but he is told that he must go and get a union membership. And that is denied him.

Mr. BOROW. All right, sir. On this particular point, you say this is with respect to the area of Los Angeles. Now, the A. R. T. A. has under contract all the steamship companies on the west coast, and these contracts call for hiring through the A. R. T. A.

Senator THOMAS of Utah. Now, I want you to answer my question.

Mr. BOROW. But this is——

Senator THOMAS of Utah (interposing). No; I do not want history; I want the facts in this case. If it is true that your union is barring a man from membership, when he has a job offered him, just what kind of ethics are you operating under?

Mr. BOROW. But there is one point I wanted to make clear: That inasmuch as the shipowners on the west coast and the A. R. T. A. are under contract, those contracts call for the steamship companies to get their men through the A. R. T. A. offices. Therefore it would be a violation of those contracts, in that case in Los Angeles.

On the east coast it is entirely a different situation. We have many cases that are just as you stated, there, in the Los Angeles example.

Senator THOMAS of Utah. How long do you think you can keep a union working under those methods?

Mr. BOROW. Under what methods?

Senator THOMAS of Utah. Just like I have stated. Here is an employer offering a man a job, a man who is competent for the job, and the fact that the employer offers him a job proves there is a vacancy. And that man goes to get the job and is told that he must get membership in the union. He applies for membership in the union, and he is entirely qualified but is told the union books are closed.

Mr. BOROW. But as I have already explained, Senator, that would be a violation of a contract now in existence. You would not advocate the violation of that contract, would you?

Senator THOMAS of Utah. How could it be a violation of the contract?

Mr. BOROW. Because the contract specifically states that the steamship company, when it has a vacancy, is to call up the A. R. T. A.; and the A. R. T. A. furnishes the men.

Senator THOMAS of Utah. That is already done. And the A. R. T. A. states the union books are closed.

Mr. BOROW. Oh, no; I have never heard of a refusal to furnish a man, except when a labor dispute occurs.

Senator THOMAS of Utah. I am giving an actual instance which has occurred. Because I have written a statement about it.

Is that in conformity with your idea of unionization?

Mr. BOROW. Well, it is very difficult to give a blanket answer to a general situation.

Senator THOMAS of Utah. Now, I want you to be specific. Just listen to this, please; and I want an answer, because I should like to know about the ethics of this particular union; there is a vacancy in a radio station. A young man, who is competent in every way, is offered a job. But he is told he must become a member of the union because they have those contracts which you mention. There is a vacancy. He goes to the union and applies for membership; and the union tells him there are no vacancies in the union. Now, what becomes of the union under those circumstances?

Mr. BOROW. Sir, if there is no contract or understanding or labor dispute in that particular situation, why, I do not see any reason why and I do not believe the A. R. T. A. would deny such a man membership or clearance.

Senator THOMAS of Utah. You cannot defend that practice?

Mr. BOROW. I am not trying to defend that practice.

Senator THOMAS of Utah. You condemn it, then, do you not?

Mr. BOROW. Yes, sir; I would, generally speaking. But we must always take into consideration the particular circumstances surrounding the particular case.

Senator THOMAS of Utah. That is what I want. This is the time when we have an actual case, and I want a condemnation of that, for the sake of the unions. I cannot defend labor organizations under practices of that kind.

Mr. BOROW. Senator, you are speaking of a case which you have definite knowledge of?

Senator THOMAS of Utah. Yes.

Mr. BOROW. Now, I do not have definite knowledge of that particular case.

Senator THOMAS of Utah. But you would condemn a case like that, would you not?

Mr. BOROW. If it is precisely as stated to me.

The CHAIRMAN. You must assume that it is. The Senator is telling you that he knows of his own knowledge. So he is entitled to a straight answer.

Mr. BOROW. Yes; that is correct, Mr. Chairman. But the thing is, have those supplying the information to the Senator given the Senator the complete picture and the entire story? That is another question.

Senator THOMAS of Utah. Well, turning it into a hypothetical case, then: Here is a man who has a job offered him. And he is told to get a membership in the union. He goes to the union and asks for membership. And the union denies him membership, which means keeping him out of a job.

Mr. BOROW. I can say that we have many such cases, to my own personal knowledge, right here on the east coast; and the men are given membership into the association, and they take the job.

Senator THOMAS of Utah. Then, this case that I am calling to your attention is a case which is out of the ordinary, and very much out of the ordinary, is it?

Mr. BOROW. Under the conditions which you describe it, I would say yes, sir.

Senator VANDENBERG. As I understand you, the contract which the employer himself has made out, there, denies him the right to offer the job to this man?

Mr. BOROW. That is correct.

The CHAIRMAN. Unless he is a member of the union?

Senator VANDENBERG. No; he has to go through the union. In other words, if there is a vice in the situation, it goes back to the contract itself.

Senator THOMAS of Utah. And if there is a vice in the contract, the union is not living up to the spirit of the contract, if it denies membership in the union after receiving that contract. Don't you see that?

Mr. BOROW. I can see that. But when the shipowners and the labor union agree, and sign the contract, then the shipowners must go to the union to get their men. And if there was any contract, there, where the steamship company actually violated the provisions of the contract, by offering a position to a man outside through the union hall, just as the gentleman here stated——

The CHAIRMAN (interposing). No. But the company said, "We can give you the job if you can square yourself with the union and be a member of the union." And the man could not get into the union, apparently.

Mr. BOROW. Are you familiar with this case, Mr. Chairman?

The CHAIRMAN. No; I do not know about this case. But I know a lot of others just like it. I do not mean with reference to your union, but some others.

Senator ELLENDER. Of all the operators employed on American ships, what percentage do not belong to the union? Do you know?

Mr. BOROW. Well, I should say—I cannot give you an exact figure; but I should say it is around—it is less than 15 percent, probably around 10 percent.

Senator ELLENDER. That do not belong to a union?

Mr. BOROW. That do not belong to the A. R. T. A.

Senator ELLENDER. To your union?

Mr. BOROW. Yes, sir.

Senator ELLENDER. In the contracts which you make with these various steamship companies, have you ever tried to write into that contract what you are now trying to write into this bill, with reference to your wearing apparel and insignia and the clothes you have to wear and the food you get on the ships?

Mr. BOROW. Yes, sir; we have such provisions in the contracts.

Senator ELLENDER. Have you ever succeeded in getting that put through, into your contracts?

Mr. BOROW. Yes, sir; we have it. I can read the contracts to you.

Senator ELLENDER. Then, what is the necessity of putting it into this bill?

Mr. BOROW. Well, as I explained, there seemed to be some questions over the interpretation of certain sections of the Maritime Commission Act which define officers and define unlicensed men.

Senator ELLENDER. I understand that. But since you folks control about 85 or 90 percent of the operators who man these ships, insofar as radio is concerned, and you have by contracts done this in the past, now you want to write it into the bill, so as to make the shipowner do it? Is that your view?

Mr. BOROW. Well, there has been a tendency on the part of certain shipowners and certain ship officials to ignore what is actually written into bona fide contracts negotiated between the union and the employer.

Senator ELLENDER. If they do that, do you not have your remedy to strike? You have exercised that remedy in the past, have you not?

Mr. BOROW. Yes, sir; we have. But we are interested in avoiding these strikes. And we need the cooperation of you gentlemen here to do that.

Senator ELLENDER. That is all.

Senator VANDENBERG. When a dispute of that sort arises, why should it not be arbitrated, without foreclosing your ultimate right to strike?

Mr. BOROW. Well, here is something that is already agreed to, between employer and employee. So why should it be arbitrated?

Senator VANDENBERG. Well, it may be a question of interpretation. And if you are sure of your position, I think you could go into arbitration with complete confidence.

Mr. BOROW. Well, we do not feel we should take such a position as that. It is true it is in the contract, and the union and the employer both agree on its interpretations. But we cannot make a contract that would violate any Federal statute. And that is what some of the shipowners who have violated this particular section claim.

Senator VANDENBERG. Yes. But I understand you are protesting against any statutory provision for arbitration of any nature. Is that correct?

Mr. BOROW. Compulsory arbitration; yes, sir.

Senator VANDENBERG. Of any nature, even for a week? You would be opposed to a statutory requirement for a week's delay while an independent body determines the fact?

Mr. BOROW. At this particular time; yes, sir.

Senator GIBSON. Why do you say "at this particular time"?

Mr. BOROW. Because, as has been stated here many times, the shipping industry is going through a state of transition as far as labor relations are concerned. And we feel that we are getting right to the proper answer now, in these arbitration clauses that are in our current agreements. They have worked out very satisfactorily. And also, there is a better understanding that is taking place between the employer, on one side, and the employee, on the other.

Senator GIBSON. You mean by "transition," a period during which you are testing out these agreements?

Mr. BOROW. Particularly this particular clause in that agreement. And thus far it is working out very well. And we feel that to change that at this particular time would only add to the confusion, and certainly would not help the situation any.

Senator ELLENDER. May I ask a further question?

Mr. BOROW. Yes, sir.

Senator ELLENDER. Suppose that the amendment that you are proposing to the law should be made as you desire it, would not that prevent anybody who does not belong to a union from being employed by a steamship company?

Mr. BOROW. Well, I do not know just what particular section you refer to.

Senator ELLENDER. You referred, yesterday, to wearing insignia and to certain classifications which should be placed on the operators.

Mr. BOROW. Yes, sir.

Senator ELLENDER. And would not that lead us to write into that bill the employment of operators who belong to your union?

Mr. BOROW. I do not see that.

Senator ELLENDER. You would not go that far?

Mr. BOROW. No, sir.

Senator ELLENDER. That is not your purpose and your intention?

Mr. BOROW. That is correct, sir.

Senator ELLENDER. All right.

Mr. BOROW. Further on Mr. Jackson states, commenting upon the recent report of the Maritime Commission:

The third great problem of the industry is that of stabilization or security of maritime labor. No one with a sense of social responsibility today questions the right of labor to bargain collectively and secure for itself its full share of participation in an industry. It is the accomplishment of this purpose to stabilize the advantages to which labor is entitled that has led the Maritime Commission to advocate the creation of a Ship Labor Mediation Board.

The creation of a mediation board will protect labor against the sudden and unwarranted reduction in wages which have sometimes come about in periods of economic depression.

It is impossible for maritime labor to reconcile such pronouncements coming from a company whose past and even present record of unfair labor practices has so vividly impressed itself upon those who fell under the blow of its incessant antiunion onslaughts.

Senator VANDENBERG. Under what registry are these other United Fruit Co. ships, which are not under American registry?

Mr. BOROW. Mostly the Central American countries, sir.

Senator VANDENBERG. Do you not think perhaps they may have to make some concessions, by way of recognizing Central American sovereignties, inasmuch as their operations are conducted there as much as they are up here? In other words, is that a legitimate criticism of them, in view of their operations?

Mr. BOROW. I believe so. Because plenty of the Scandinavian countries run their vessels all over the world, and some never go back to a Scandinavian country; and yet they continue to carry the flag of their own nation.

Senator VANDENBERG. Yes. But they do not have large investments in the land of the particular countries. For instance, the United Fruit Co. has enormous land investments in Guatemala. Suppose Guatemala insists on having a ship or two under its registry. Then do you not think the United Fruit Co. might have to take Guatemalan registry, now and then, under those circumstances?

And you realize, I am sure, that I have no interest in the situation.

Mr. BOROW. Well, perhaps they have. But you realize that the authorities in those countries do not tell the United Fruit Co. what to do. Precisely the reverse is true.

Senator VANDENBERG. Well, it just seems to me that that criticism might be unfair. But I do not know anything about the facts.

Mr. BOROW. I have a bit of evidence here, in support of Mr. Curran's testimony, regarding training ships, in his prepared statement. In Mr. Curran's prepared statement, we have the following sentence, under the subject of training ships:

During the maritime strikes of 1936 and 1937, the shipowners themselves, in cooperation with certain discredited officials of the International Seamen's Union, scoured the inland towns and farms for young men and boys with whom to man their ships.

Here I have an affidavit, dated at Philadelphia, December 3, 1936, [reading]:

PHILADELPHIA, PA., December 3, 1936.

I, Fred Himmelein, captain of tug *Atlantic City*, owned and operated by the Pennsylvania Railroad Co., make the following statement of my own free will and accord:

I declare that I am a legal resident and property owner in the town of Veriga, N. J., which is located between South Westville and National Park, N. J.

That on or about December 1, 1936, approximately 10 boys and men were recruited from the town of Veriga, N. J., to ship out as unlicensed members of the crews of certain tankers, probably the steamship *Sylvan Arrow* and steamship *Paulsboro*, from Paulsboro, N. J.

That is the Socony-Vacuum Transportation Co. [continuing to read]:

That I know all of these boys by sight and am personally acquainted with at least five of them; they are Jack Calout, who is under care and custody of the probation officer; William Press; a man by the name of Blair; a boy by the name of Cooper; two brothers by the name of Goredy; and approximately four others.

That the majority of the above-named are under 18 years of age and only a few, i. e., Cooper, one of the Goredy brothers, and possibly Blair have had any experience at sea.

That if these inexperienced men presented discharges, certifying discharges from previous ships, they must necessarily have been falsified or altered.

F. HIMMELEIN (FRED HIMMELEIN).

FRED B. ESTES,
Witness No. 1.

ARNOLD M. RICHARD.
Witness No. 2.

Witnesses affirm authenticity of above signature.

ELLEN B. DEADY, Notary Public.

My commission expires March 25, 1937.

(The above paper is filed with the clerk of the Commerce Committee.)

The CHAIRMAN. It will be received for the record.

Senator VANDENBERG. What does that prove, in connection with this bill?

Mr. BOROW. This was on the question of training ships, sir.

Senator VANDENBERG. You would not have a man like that from a training ship, would you?

Mr. BOROW. Pardon me?

Senator VANDENBERG. Would you have men such as you described in that affidavit from the training ships?

Mr. BOROW. No, sir; but that is not the point at all.

Senator VANDENBERG. It is not? Then, what is the point?

Mr. BOROW. The point is that certain shipowners claim they want trained and experienced men. But when they have the opportunity to get these men, instead of doing that, they scour the inland towns and get these farmers. Many of these men have since become expert and helped in their training by the union men who are now on the vessels. We feel that the position taken by the shipowners in this respect is certainly one that is not justified. They could have had many experienced men in the past, but they preferred to get men like these.

Senator VANDENBERG. How about the position taken by the Maritime Commission: That things of this sort would be minimized if we had training? I should think that would be an argument in favor of adequate training, rather than against it.

Mr. BOROW. Well, under certain condition we are interested and in favor of adequate training. Naturally under certain conditions everybody would have to be.

The CHAIRMAN. We have certain training schools, one in Boston, one in Philadelphia, and in New York, and on the Pacific coast. What is your attitude toward those?

Mr. BOROW. The attitude of the A. R. T. A.? Why, we give preference, as we stated before, to all men having experience or discharges from either Government-supervised places or coming from the Regular Army and Navy and Coast Guard.

Senator VANDENBERG. Can they always get into your union?

Mr. BOROW. If anybody can get in, those men can get in.

Senator VANDENBERG. That is it, if anybody can get in. If you transfer your closed list from the west to the east coast, then there is no chance for anybody to get in, is there? Don't you have a monopoly of the entire situation?

Mr. BOROW. Well, I would not call it a monopoly.

Senator VANDENBERG. Would you like to transfer the western practice to the east coast?

Mr. BOROW. Well, such a practice would only be adopted when it would be absolutely necessary.

Senator VANDENBERG. I was asking how you felt about it.

Mr. BOROW. If it becomes absolute necessary, there is only one thing to do. We are interested in protection and stabilization for American citizens engaged in this industry.

Senator VANDENBERG. I am for American citizens engaged in this industry. Some of your officials are not American citizens, are they?

Mr. BOROW. You have to be an American citizen to belong to the A. R. T. A., in the first place.

Senator VANDENBERG. I am glad to know that.

The CHAIRMAN. Are all union officials American citizens?

Mr. BOROW. I do not know, sir.

Senator VANDENBERG. Are all the union officials on the west coast American citizens?

Mr. BOROW. I do not know, sir; I have enough to do to take care of this side.

Senator VANDENBERG. Is Mr. Harry Bridges an American citizen?

Mr. BOROW. I do not know, sir. I believe he has taken out his naturalization papers.

The CHAIRMAN. How many times?

Mr. BOROW. I do not know.

Senator VANDENBERG. I like your emphasis on American citizens. I like to agree with you on that.

Mr. BOROW. Well, our constitution specifically states you must be an American citizen before you can become a member of the union.

The CHAIRMAN. Are you under any direction from Mr. Harry Bridges?

Mr. BOROW. You mean me, personally?

The CHAIRMAN. No; your union.

Mr. BOROW. No, sir; we are not under direction from anybody.

The CHAIRMAN. Are you associated with any other unions?

Mr. BOROW. We have our own autonomy.

The CHAIRMAN. But are you associated with the other unions?

Mr. BOROW. Well, of course, we cooperate, one with the other.

The CHAIRMAN. You are representing, in your appearance here, just what group? What did you say, yesterday?

Mr. BOROW. The American Radio Telegraphists' Association.

The CHAIRMAN. Well, go ahead. I think you gave us the impression that Mr. Harry Bridges has nothing to do with you, or your supervision or direction?

Mr. BOROW. No, sir. Of course if Mr. Bridges has a good idea, or if any of you gentlemen have a good idea, that we could use, why, we certainly will use it.

Senator VANDENBERG. What is Mr. Bridges' official position with the union?

Mr. BOROW. I understand he is president of the Pacific coast district of the International Longshoremen's and Warehousemen's Association. I believe that is what it is.

Senator VANDENBERG. How can that be, if you say that your own regulations require that all officers should be citizens?

Mr. BOROW. Mr. Henry Bridges is not a member of the A. R. T. A.

Senator VANDENBERG. Oh, I see.

The CHAIRMAN. Does he have anything to do, directly or indirectly, with your union?

Mr. BOROW. Well, there may be an exchange of ideas.

The CHAIRMAN. I am not talking about that. I mean in his official relations.

Mr. BOROW. No, sir—well, he is not an officer of the A. R. T. A.

The CHAIRMAN. That is all right. But has he anything to do, directly or indirectly, with your organization?

Mr. BOROW. The A. R. T. A. has dealings with Mr. Bridges as president of a union belonging to the Maritime Federation of the Pacific coast.

The CHAIRMAN. And did you say that Mr. Bridges is not a citizen?

Mr. BOROW. I did not say such a thing, sir.

The CHAIRMAN. Well, is he a citizen?

Mr. BOROW. My only understanding of the situation is that he has taken out naturalization papers.

The CHAIRMAN. Was there a period when he was in his official position, and when he had no papers?

Mr. BOROW. I have no knowledge of that.

The CHAIRMAN. All right; go ahead.

Mr. BOROW. I have here some evidence of collusion by shipowners or their agents to circumvent the aims and purposes of the Wagner Act. On this question may we quote the statement of Charles Fahy, general counsel of the National Labor Relations Board, as submitted under questioning at the National Association of Manufacturers convention, at New York, concluded December 9 [reading]:

You want to impose on labor unions a more drastic regulation. You advocate putting unions out of business. That would be unfair unless the employer could also be put out of business. It is the duty of the Board to administer and enforce this statute without fear or favoritism, but it is also your duty, the duty of employers, to comply with it frankly, openly, and without reserve. Collective bargaining cannot exist in the face of employer coercion of individual employees in their choice of bargaining agents.

I should like to stress that last clause again:

Collective bargaining cannot exist in the face of employer coercion of individual employees in their choice of bargaining agent.

Senator VANDENBERG. Cannot you broaden that statement: You could not have proper collective bargaining if there is any coercion or intimidation anywhere, on either side?

Mr. BOROW. Generally speaking; yes, sir.

Senator VANDENBERG. Yes; I agree that the employer must not coerce. And neither must anybody else. Is that true?

Mr. BOROW. Generally speaking, I would say that is true, sir.

Maritime labor sincerely feels and earnestly believes that if all the shipowners would only accept these few cardinal points, instead of seeking to evade them, then the hazards that now beset us would vanish into thin air.

Now, gentlemen, on this matter of employer coercion of individuals, I should like to submit two affidavits, with particular reference to our craft.

The CHAIRMAN. We shall receive them for the record. Can you tell us in a word what they are?

Mr. BOROW. In a few words, they give evidence where the agents of the company actually coerced radio operators from dropping their affiliations with the A. R. T. A., and to join a company-controlled organization instead.

The CHAIRMAN. How long ago did that happen?

Mr. BOROW. August 2, 1937, and July 28 of this year.

The CHAIRMAN. Those are the dates of the affidavits. But when did the events take place?

Mr. BOROW. The event took place, in one case, on July 29.

The CHAIRMAN. Of this year?

Mr. BOROW. Yes, sir; and in the other case, July 26.

The CHAIRMAN. Both the same line?

Mr. BOROW. Pardon me, sir?

The CHAIRMAN. The same steamship line?

Mr. BOROW. Let me see, please [examining the papers]. This one here is from the Savannah Line—both from the Savannah Line.

The CHAIRMAN. Very well; they will be received for the record. Go ahead.

(The papers referred to are as follows:)

NEW YORK, N. Y., August 2, 1937.

MORT. BOROW, *Secretary*.

DEAR BROTHER BOROW: On July 29, 1937, in Boston, Mass., an I. S. U. delegate and representing the C. T. U., boarded the vessel, steamship *City of St. Louis*, upon which I had been employed 5 months as a radio operator, and still was employed in that capacity. The delegate, Mr. Martin, said I had to join the C. T. U. or he would tie up the ship, as the crew and longshoremen were backing him. I refused to join. The first officer, Mr. Momborquette, came to the radio room and said he had to pay me off. He advised me to join C. T. U. and offered to lend me money for that purpose. Later in the captain's office, Captain Riser also offered to lend me the money to join C. T. U.

I was paid off and left the ship. All this took place 15 minutes before scheduled sailing time.

Respectfully,

CHARLES A. QUINN,
Book No. 241-2.

A DEPOSITION

NEW YORK CITY, July 28, 1937.

I, Edgar S. Johnson, do hereby depose and state that the following is true and correct to the best of my knowledge and belief:

I am a radio officer employed aboard the Steamship *City of Birmingham* of the Ocean Steamship Co. (Savannah Line). During the voyage from New York to Boston on July 24 and 25 while I was on watch in the radio room a man by the name of Mr. Martin, who claimed to be representing the United Licensed Officers

and the Commercial Telegraphers Union, entered the room against my will and gave me the ultimatum: "Join up with the C. T. U. or get off the ship." I informed Mr. Martin that I was a member of the American Radio Telegraphists' Association. He then stated that the longshoremen in Chelsea, Boston, would not unload the ship or take the passengers' suitcases ashore. I told him to do as he saw fit. After the ship had docked, the master of the vessel, Captain Broun, stopped me on the boat deck. He inquired as to my union affiliation. At this very same time he was talking with Mr. Martin. I replied to the master that he represented the company and should not enter into the trouble. The master stated that, "the ship was an A. F. of L. ship and that all members of the crew had to be members of A. F. of L. unions if they wanted to remain." The master also inquired if I was an American or a Russian. I stated that I was an American. He also stated that he did not want any C. I. O. men aboard the ship; and that I had C. I. O. ideas. After about 2 hours of wrangling I was compelled to pay \$5 in order to hold my job.

(Signed) EDGAR S. JOHNSON.

Sworn before me this 28th day of July, 1937.

[SEAL]

ROBERT A. SHONTS, Notary.

Commission expires March 30, 1938.

No. 1

THE COMMERCIAL TELEGRAPHERS' UNION,
July 28, 1938.

Received from Edgar S. Johnson, \$5 account of second quarter—paid.

Per GEO. MARTIN, Secretary-Treasurer.

Mr. BOROW. The maritime unions have found that leading ship-owners are not only not complying with the provisions of the Wagner Act but also that the provisions of Public Law No. 25, Seventy-fifth Congress, with respect to the optional provisions concerning acceptance of a seamen's identification certificate, instead of what is commonly referred to as the [a pause]—

The CHAIRMAN. As the "Copeland fink book"?

Mr. BOROW. That is correct. Thank you, sir.

The CHAIRMAN. You are welcome.

Mr. BOROW. In other words, the continuous discharge book.

The CHAIRMAN. Is there any case where the unions have prohibited a man from using the "fink book," instead of the certificate, to put it the other way around?

Mr. BOROW. I do not know of any case where the unions have actually prohibited it. I believe the Senator knows the position of the maritime unions with respect to the acceptance of this book.

The CHAIRMAN. Yes; I know the agreement was made that there should be free interchange and no discrimination against a man, whether he carried one form of book or the other. And I have affidavits, which I shall show the committee later, to show that has not been lived up to by the unions.

Now you are bringing in affidavits to show the action of the steamship lines. But remember, it works both ways.

Mr. BOROW. Yes, sir; it does.

The CHAIRMAN. You have had the advantage, in your group, of using "beef squads." And that certainly is an advantage.

Mr. BOROW. Well, that is not so. You prove it by the affidavits, please.

The CHAIRMAN. All right. I will prove it by the affidavits.

Mr. BOROW. I should like to state it seems that all the affidavits you have are things that are presented as detrimental to the position of labor. Don't you receive any affidavits that are of any benefit to labor, in your opinion?

The CHAIRMAN. Are those affidavits beneficial? I would think they were to the contrary. There ought to be no occasion for those disturbances on the part either of the shipowners or of the unions. We had a definite understanding, did we not, about those identification certificates—that they should be interchangeable?

Mr. BOROW. When you say "we," whom do you mean?

The CHAIRMAN. I mean the representatives of your unions and the officials of the Government.

Mr. BOROW. I believe that was the agreement, sir.

The CHAIRMAN. That was the agreement.

Mr. BOROW. But here we have cases where it was violated on the part of the steamship companies.

I should like to submit two affidavits in proof thereof. I shall not take up the time of the committee in reading them.

The CHAIRMAN. All right; they will be received.

(The documents referred to are as follows:)

AMERICAN RADIO TELEGRAPHISTS ASSOCIATION,
New York, N. Y., April 8, 1937.

To whom it may concern:

This is to certify that statements made below are true.

This morning Mr. Villandre, of the Radiomarine Corporation of America, assigned me to the steamship *American Importer*. He told me to report to Mr. Gilbert at the I. M. M. office. Mr. Gilbert O.K.'d the assignment slip and told me to report to the chief officer on board the vessel.

Not being able to find the chief officer at the moment I reported to Mr. Finch, chief radio officer. After talking to him a while I showed him my certificate of identification and certificate of service. Mr. Finch told me that these certificates alone would not be enough and I would have to take out the continuous discharge book; that this is the company's requirement.

I went back to Mr. Gilbert to check up. I showed him, also, the above-mentioned certificates and he too told me that I would be required to take out the continuous discharge book. Then he asked me if I had the photographs. I told him I had one.

Mr. Gilbert also said that I would not be the only one to take out the continuous discharge book and that the book would be issued to me on the ship.

(Signed) ANTHONY PAUL GOLUBINSKI.

A STATEMENT OF THE FACTS IN THE CASE OF THOMAS P. HENDERSON, RADIO OPERATOR DISCHARGED FROM THE STEAMSHIP "DIRIGO," OPERATED BY THE TEXAS CO., FOR REFUSING TO TAKE OUT THE COPELAND CONTINUOUS DISCHARGE BOOK

On January 9, 1937, Thos. P. Henderson secured employment as radio operator on the steamship *Dirigo*, a vessel operated by the Texas Co. in the coastwise oil trade.

Upon the vessel's return to New York, approximately January 25, the company started preparations to facilitate the issuance of the Copeland continuous discharge books. Photographers were sent aboard and the application blanks for the books issued. Henderson notified the master that he was unable to take out the book due to his union affiliation and stated that he thought the books were not required until June 1937 in the coastwise service. A conference between Henderson, the master, Captain Svensson at that time, and a member of the company's office force followed during which Henderson was told that he could continue to sail without the book until such time as it was legally required.

In February and in March these preparations by the company continued and as a result there were other conferences between Henderson, the master, by this time Captain Rasmussen, and the Port Arthur, Tex., marine superintendent, Mr. C. L. Hand. At each conference Henderson was assured that he could continue without the book as long as it was legal to do so.

Finally by the end of March all members of the ships company had the books except Henderson. And at the end of March, exact date unknown, Mr. Hand

in conversation with Henderson told him that he could continue and, said he, "In fact, you may never have to take out the book."

On April 16, the vessel docked in Port Arthur, Tex., in the forenoon. At about 10 o'clock, the superintendent, Mr. Hand, entered the master's room and shortly afterward left. The captain then called Henderson into his room and informed him that they were letting him go.

He said, "Mr. Hand tells me that he has a man with the book to take your place. He says that orders have come through from the New York office to let you go, if you have not taken out the book. However, you are not "in bad" with the company. Your services were satisfactory, and Mr. Hand informs me that he will instruct the Radiomarine Corporation to give you preference for the next Texas Co. radio job that is open, provided you have the book."

The vessel was posted to sail at 6 a. m., April 17. The nearest port at which Henderson could secure the temporary certificate of identification to be used, as was his legal right under House Resolution 143, instead of the continuous discharge book, was Galveston. In the time left him before sailing Henderson was unable to secure this temporary certificate. Therefore he left the ship, having been relieved by the new operator, and reported to the Radiomarine Corporation offices. There he was informed that Mr. Hand, Texas Co. superintendent had already placed his request for preferential employment, of Henderson, such treatment to be accorded him when he secured the continuous discharge book

(Signed) THOS. P. HENDERSON.

Witnessed: EUGENE DUPREE.

STATE OF PENNSYLVANIA,
County of Philadelphia, ss.:

Sworn to and subscribed before me this 28th day of April 1937.

ELLEN E. DEADY, Notary Public.

My commission expires March 25, 1941.

Mr. BOROW. One, in the case of the International Mercantile Marine, that compelled a radio officer to accept a continuous discharge book in place of a seaman's identification certificate, contrary to the agreement which the Senator spoke of.

The CHAIRMAN. Oh, no; not contrary. The agreement was that the seamen might present either one, either the "fink book" or the certificate. The law is so written; and the law carried out the agreement which the witness has already stated exists.

Mr. BOROW. Do you think the steamship companies are carrying out that understanding?

The CHAIRMAN. You say not, and you are presenting proof to that effect.

Mr. BOROW. Naturally.

The CHAIRMAN. That is quite all right.

Mr. BOROW. I should like to point out here that a particular violator in this respect has been the oil companies, particularly the Sun Oil Co., controlled by the "Liberty League" Pews; the Atlantic Refining Co.; the Socony-Vacuum Co.; and the Texas Oil Co. And this affidavit that I submit in evidence will confirm that position.

Senator VANDENBERG. You were pleading, yesterday, for a better understanding and relationship between employers and employees. Don't you think this would be a good place to start to quit calling names?

Mr. BOROW. Well, that should work both ways.

Senator VANDENBERG. I agree with that. But somebody has to start it.

Mr. BOROW. Well, we have quite a broad aspect on that, already.

The CHAIRMAN. You mean you have started it?

Mr. BOROW. A long time ago; sure.

The CHAIRMAN. Well, you are promoting it this morning. Proceed.

Mr. BOROW. The committee is interested in the facts, aren't they, Mr. Chairman?

The CHAIRMAN. Oh, of course. And we are asking you to submit the facts, and we shall receive all you have to say about it, and all your affidavits.

Senator VANDENBERG. Yes; we are very much interested.

Mr. BOROW. On the question of compulsory arbitration amendments, the A. R. T. A. is definitely opposed to proposed amendments under title X, in S. 3078, and even more so to S. 1710, in its entirety.

The CHAIRMAN. What is S. 1710?

Mr. BOROW. That is the one that you submitted yesterday, Senator.

The CHAIRMAN. That is Senator Guffey's bill?

Mr. BOROW. Yes, sir.

The CHAIRMAN. You say the union is opposed to this bill in its entirety S. 1710?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Is that unsatisfactory, from start to finish?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Is it more unsatisfactory than the Maritime Commission proposal?

Mr. BOROW. Yes, sir; definitely so.

On the question, primarily, of S. 3078, we are opposed to it because it attempts to set up in the shipping industry a comparable arrangement of compulsory arbitration in all labor disputes, as was set up in the railroad——

The CHAIRMAN (interposing). I want to be sure: Are you referring to Senator Guffey's bill, with the amendments? You are speaking of this bill which you were given yesterday?

Mr. BOROW. Yes, sir.

The CHAIRMAN. This is the perfected bill?

Mr. BOROW. Yes, sir.

The CHAIRMAN. All right.

Mr. BOROW. I am referring, in this particular section, primarily to S. 3078, however.

The CHAIRMAN. All right.

Mr. BOROW. I shall make more specific reference to S. 1710 just a little later, and conclude my testimony.

We are opposed to it, on the attempts to set up in the shipping industry a comparable arrangement of compulsory arbitration, in maritime labor disputes, as was set up in the rail transportation industry in 1926, the general reasons being that the situations facing the maritime employees differ greatly from those facing railroad labor in 1926.

On the question of seniority, the acceptance of the principle of seniority settled many of the problems facing the railway industry in 1926, while seniority in the merchant marine, for the unlicensed personnel, would solve no problem and settle nothing, so far as labor issues are concerned. No one can deny that the basic conditions of employment are different and require a different approach, and therefore require totally different solutions.

And finally, the enactment of such amendments would have a tendency to stabilize unfair conditions in the maritime industry in 1937, according to the present proposed amendments, whereas the Railway Labor Act stabilized fair conditions in 1926.

May I state just a few figures on this point? In the railroads, in 1920, the average wage of railway trainmen, according to the figures, was \$48 per week; in 1926 it was \$45. Now, in the case of seamen, in 1920 A. B.'s were receiving \$90 per month; in 1937—today they are receiving only \$72.50. That is the Maritime Commission scale.

On the question of S. 1710—

The CHAIRMAN (interposing). In that connection, may I ask a question? When you speak as you do about S. 1710, are you speaking for all your unions? Is your position that of all the C. I. O. group?

Mr. BOROW. On the question of S. 1710, let me say this: the first time we have seen that was yesterday, when the chairman submitted that amendment. We took this up with the representatives of the maritime unions who are here in Washington. And after giving it some study, we do not see how any of the progressive maritime labor groups could go for such a thing.

The CHAIRMAN. So when you express your personal opposition to S. 1710, apparently you suggest the opposition of all the unions, so far as you have had contact with them?

Mr. BOROW. Yes, sir. I suggest it; I cannot speak for them. I believe other witnesses, following me, will take a definite position on it.

S. 1710 would deny to the seamen the protection and offices of the National Labor Relations Board—a Government agency with a singular record of fairness and impartiality—and replace, in its stead, what would be known as ship labor boards and mediation boards. Maritime labor, in particular, has been plagued by unfair labor practices on the part of its employers; and the abridgement of such tried and proven protection against the malpractices of many shipowners certainly would not contribute to stabilization, peace, and harmony in the industry. We submit that the power to protect maritime labor's rights against shipowners who would brazenly continue unfair labor practices, engage in industrial espionage, and refuse to recognize the duly certified representatives for the purposes of collective bargaining, is proposed to be transferred to the two new boards. However, we fail to see the wisdom of substituting untried and untested agencies, when there is already set up a satisfactory working machinery for such purposes.

Likewise, this is true of the voluntary arbitration clauses contained in the agreements signed by the various maritime labor organizations and the shipowners, particularly in the case of the National Maritime Union. And, of particular reference at this time, we point to agreements long in effect between the American Radio Telegraphists' Association and various shipping companies, containing similar clauses that have operated so satisfactorily in the past. Now that the industry is being stabilized on a national basis, through such voluntary arbitration machinery, mutually agreed to by labor and capital, we feel with good reason that a change at this time would succeed only in militating against stabilization.

Though the following should not be interpreted as criticism, at least, not without due cause, the seamen would look with grave suspicion upon the extension of the power of the United States Maritime Commission to deal with labor disputes. Mr. Joseph P. Kennedy, Chairman of the Commission, has already set up the principle that employees of Government-owned freight ships do not have the right

to strike. This is based on the absurd theory that such employees, even though their work consists of wiping engines and scrubbing decks, are in the same class as workers employed in actual governmental services. This theory sounds rather farfetched and absurd; but through it, a number of strikes have already been broken.

The grave importance of the right to strike being denied the seamen by the Commission is aptly illustrated in the war bonus dispute of several months ago.

Senator VANDENBERG. Would you defend any right to strike, on a ship at sea?

Mr. BOROW. No, sir; not under any circumstances, terms, or conditions.

Senator VANDENBERG. That is a fine answer.

Mr. BOROW. Maritime unions were negotiating with shipowners engaged in trade in the Spanish and Oriental war zones, on the payment of bonuses to seamen making such voyages.

So-called "pirate submarines" had deliberately attacked and sunk various merchantmen; and the ship owners having services in the zones affected had boosted cargo rates many times their normal figure, and insurance companies likewise came in for their share of the increase. But were the seamen who actually entered into the dangerous zones offered any protection in the form of bonuses or insurance, as was done in several foreign countries? No; they were not. Therefore, the maritime unions entered into negotiations with the shipping companies affected, and bonuses of \$250 per man per voyage, for the extra risks involved, were asked. The private steamship companies offered a bonus of \$50, in its stead. This proposal the maritime unions rejected. Whereupon Mr. Kennedy, of the Maritime Commission, issued an order establishing the \$50 bonus scale on Government freighters. So far as the Commission was concerned, that settled it. As the Philadelphia Record put it:

The unions can take it—or they can take it.

They are given no choice; they are forbidden to strike. The Commission thereby gave a powerful boost to the private lines trying to get away with a \$50 bonus, for they subsequently utilized this Government action as an example.

In the summary declaration of policy, specifically referred to, the Maritime Commission showed not only an antilabor bias but proved again that without the right to strike there is no real right to bargain collectively. Therefore, how can anyone reasonably expect maritime labor to accept the S. 1710 proposal to place further labor powers in the hands of the Commission?

And another point: On precisely those ships which ought to set the example of best labor standards—those operated by the Government—the Commission willingly or unwittingly contributes to reducing maritime labor to serf status, by denying genuine labor-union recognition to the representatives of its employees.

Senator GIBSON. Do you subscribe to the doctrine that you have the right to strike against the Government?

Mr. BOROW. No, sir. But the case, here, is that the Maritime Commission owns the ships in behalf of the United States Government. But they lease and charter these ships to various steamship companies—as, in this case, the American Republics Line. Our dispute was with the American Republics Line and not with the

United States Government. But the Maritime Commission interceded and clouded the whole picture and broke whatever demands we had made.

Senator GIBSON. Your theory is that where they go to work with one of these companies, they become private employees and not employees of the Government?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Have you finished?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Are there further suggestions or questions?

Senator GIBSON. Have you touched on the Black Diamond situation this morning?

The CHAIRMAN. Not this morning.

Senator GIBSON. I think the witness was interrogated yesterday with reference to a letter presented by the chairman.

Mr. BOROW. Yes, sir.

Senator GIBSON. Assuming that the conditions set forth in that letter were true, do you uphold the members of that labor organization?

Mr. BOROW. Assuming they were true, naturally I cannot uphold them. But I doubt if such conditions like that did exist. If it did exist, it should be corrected.

Senator GIBSON. If it did exist, it should be corrected?

Mr. BOROW. That is correct, sir.

I should like to point out that these Black Diamond ships are freighters, but they do carry a certain amount of passengers. That is, they are actually freight ships, but they do take one or two or three or four passengers, on these crossings. Some of these people who get aboard the ships—I do not say all of them—but sometimes they get aboard the freight ships and expect to get the same treatment and accommodations that they get on the passenger ships. And naturally, they are not passenger ships, and there are no accommodations for them. They do not get this, and they do not get that, so then they get all riled about it, and write such letters as were introduced here. That is the first point.

And No. 2: We have many cases, not only on the American lines but all of the foreign lines get all sorts of letters and complaints from cranks who sail the ships as passengers—for one reason or another. At the same time there are many letters that come in, praising the good will and attitude of the men aboard the ships. But we never see the shipowners submitting such letters as those. But we do know they exist.

Senator GIBSON. Have you made any investigation, since last evening, to determine the truth of that letter?

Mr. BOROW. Of the Black Diamond situation?

Senator GIBSON. Yes.

Mr. BOROW. No, sir; I have had no opportunity to do that. The chairman introduced S. 1710 yesterday. And most of our time was spent in studying its provisions. We have had many dealings with the Black Diamond Steamship Co., and we have found them to be perfectly fair and considerate at all times, both to passengers and employees.

The CHAIRMAN. In order that the record may be complete, let me say that yesterday I did not reveal the identity of the writer of the

letter referred to, because I did not want to subject him to any violence of any sort. But I wired him as follows:

I read your letter about Steamship *Falcon* to Senate committee today without revealing name of writer. Are you willing to have letter with your signature entered in the record? I hope you will permit this.

He wired back the following:

Disclose identity. Conditions on American ships common knowledge to travelers.

(Signed) DANIEL B. IRWIN.

Senator GIBSON. Who is he?

The CHAIRMAN. I do not know. But it is in the record now. And those who are interested can find out all the facts.

Senator GIBSON. Do you know his address?

The CHAIRMAN. Yes; 36 Bethune Street, New York.

I do not know him. But it was a letter which is of the same tenor as dozens of other letters which we have received. And I introduced it yesterday in order that the witness might have it before him. And he says he has made no investigation.

Is that all, now?

Mr. BOROW. Mr. Chairman, inasmuch as that evidence is introduced, I should like to submit another affidavit, and read it at this time.

The CHAIRMAN. Certainly.

Mr. BOROW. Perhaps some of us would want to return to conditions such as are described here; but I am sure the maritime unions do not want to [reading]:

STATEMENT OF A. R. T. A. DELEGATE, PHILADELPHIA, PA.

On May 11 or thereabouts, I boarded the steamship *Capillo*, operated by the American Republics Line—

The CHAIRMAN. That has nothing to do with this case?

Mr. BOROW. No, sir; not with this case, in particular.

The CHAIRMAN. All right; go ahead.

Mr. BOROW (reading):

STATEMENT OF A. R. T. A. DELEGATE, PHILADELPHIA, PA.

On May 11 or thereabouts, I boarded the steamship *Capillo*, operated by the American Republics Line to South American ports and owned by the Maritime Commission.

I contacted the radio operator, Mr. McIntosh, who informed me that, through the misinformation of the company, he had accepted a job as strikebreaker, having been shipped from his home in Iowa through the Radio Service Co. at Chicago.

Mr. McIntosh had been advanced subsistence money and promised his transportation on arrival in New York. (This to beat the act which covers the transportation of strikebreakers from one State to another.) When Mr. McIntosh arrived in New York, he was rushed by taxi to the Radio Service Co. where he was kept incommunicado until the assignment to the Steamship *Capillo*. He was then taken to the *Capillo* and placed on the vessel which sailed for Jacksonville.

On his arrival in Jacksonville, he was refused shore leave by the master of the vessel. The master gave no reason, except that he did not want the radio officer to go ashore.

When the vessel arrived in Philadelphia after a voyage to South American ports, the A. R. T. A. delegate for Philadelphia boarded the vessel, and Mr. McIntosh signified his willingness to join the union and to abide by the rules as set forth by the membership covering his particular case.

I suggested that he relinquish his present position to an A. R. T. A. union operator to give him an opportunity to straighten himself out with the union.

Mr. McIntosh agreed and packed his clothes to come up to the union office, as the master was not on the ship and he would have to return for his money.

Late in the afternoon, I assigned Mr. Erwin Stout to the vessel through the Radio Marine Service, and he and Mr. McIntosh left the union office for the steamship *Capillo*.

When the two men boarded the ship they were greeted by the master, Captain De Lucca, who had returned from shore. Captain De Lucca started to abuse the two men and knocked off Mr. Stout's glasses with a blow to the jaw.

I had a telephone call from Mr. Stout to the effect that Captain De Lucca had left the vessel with his second officer making veiled threats that he would "show the union a thing or two," and as I walked away from the telephone Captain De Lucca walked into my office hurling various threats about "breaking" my "dirty little neck" and daring me to fight it out with him. I saw that the captain was extremely intoxicated, having difficulty in keeping on his feet. (I have since learned from Mr. McIntosh that he had rescued the captain's collar, hat, tie, and coat from the street where he had thrown them before entering my office.) I tried to reason with the captain, as I had no wish to engage in fistcuffs with him since Mr. McIntosh wanted to enjoy the rights guaranteed him under the Wagner Act to join and be represented by a union of his own choosing; also the rights which any American seaman is supposed to enjoy: to leave his vessel in any safe American port when not under articles.

The captain then demanded that I allow him to call the Maritime Commission in Washington so that he could "tell them a thing or two." He did succeed in contacting the Commission's office in Washington where a long conference was held over the telephone about the action taken by Mr. McIntosh. The captain threatened to resign, stating that he would not sail on any ship where the unions were allowed to organize.

I have no idea what the Commission's reply to this was, but after the conversation the captain turned to Mr. McIntosh and said, "You will come back to the ship and we will see that you are not bothered again," whereupon Mr. McIntosh reiterated his previous stand that he wanted to be paid off and that he wanted to join the union. The captain then turned to Mr. McIntosh and called him a yellow so and so, and a few other things. The captain then said to his second mate, "Let's leave this dirty joint, and if I ever see that delegate on my ship again, I'll blow his damned brains out."

I finally did get Mr. McIntosh's wages, and Mr. Stout refused to sail on the vessel with Captain De Lucca, so we assigned another man as radio operator—Mr. Henderson.

The union then had to pay for the repair charges to Mr. Stout's glasses. However, the agent for the American Republics Lines paid \$3.80 for the telephone call the captain had made to the Maritime Commission's office in Washington and service charges on a call to Sprague's Mr. O'Halloran.

Mr. Henderson reports to this office that the main reason why the steamship *Capillo* was run aground on leaving Boston Harbor last trip was because the captain was too drunk to realize that he had a large freight vessel under him.

The *Capillo* had to return to Boston and to the drydock for repairs that must have cost the Commission thousands of dollars, and the most significant proof of this is the fact that Captain De Lucca is no longer attached to the *Capillo*, having been removed after the grounding incident.

So your delegate suffered nothing more than a slight blow in the jaw, which he managed to duck, and a shirt ripped off his back when the captain attacked him.

Submitted by,

(Signed) EUGENE DUPREE,
Delegate, Philadelphia, Pa.

Radio license No. T-2-871.

Master's and pilot's license No. 126628.

Second issue. Any gross tons, any oceans.

STATE OF PENNSYLVANIA,

County of Philadelphia, ss:

Sworn to and subscribed before me by Eugene Dupree this 13th day of December 1937.

(Signed) ELLEN E. DEADY, Notary Public.

My commission expires March 25, 1941.

(Photostat of the above is filed with the clerk of the Commerce Committee.)

The CHAIRMAN. Is that all now?

Mr. BOROW. Yes, sir.

The CHAIRMAN. Now, Mr. Borow, it is largely our fault, no doubt; but you have been on the stand for an hour and a quarter, besides your time yesterday. And you feel you have had plenty of opportunity to present your case, do you?

Mr. BOROW. I do, sir. Thank you.

The CHAIRMAN. Now may we hear from this gentleman who has come from a considerable distance?

**STATEMENT OF EDGAR N. GOTT, ASSISTANT TO THE PRESIDENT,
CONSOLIDATED AIRCRAFT CORPORATION, SAN DIEGO, CALIF.**

Mr. GOTT. Mr. Chairman and gentlemen of the committee, my name is Edgar N. Gott, assistant to the president of the Consolidated Aircraft Corporation, San Diego, Calif.

The CHAIRMAN. Very well, Mr. Gott.

Mr. GOTT. Our concern, the second largest aircraft manufacturer in the United States, has over 600,000 square feet of useful manufacturing space and employs 3,000 men in the construction of sea-going aircraft. Our corporation, founded in 1923 by R. H. Fleet, and since then continuously under the same management, has built and delivered over \$30,000,000 worth of aircraft to the Government, commercial airlines, and private interests. For the past 9 years we have specialized in large flying boats suitable for the United States Navy or transoceanic air transport.

In 1929 we designed and constructed 14 consolidated "Commodore" flying boats for the New York-Rio and Buenos Aires Lines, which was later absorbed by Pan American Airways. These airboats, each weighing 17,600 pounds and carrying 20 passengers, were the first commercial flying boats in regular operation between Buenos Aires and Miami, Fla. They founded the reputation of Pan American Airways for safe and dependable service, being the backbone of their fleet. Many of them are still in use, after 8 years without a single crash or fatality.

Regardless of the remarkable showing of the "Commodores" and 7 years of continuous and strenuous sales efforts, we have been unable to book orders on commercial flying boats at anything like a fair price. The answer is lack of customers. With but one domestic transoceanic air-line operator, and with a number of manufacturers hungry for work, a buyer's market has existed to the point where the operator has been able to purchase equipment at much less than its cost let alone a fair profit to the vendor.

In order to survive in the airboat field, our corporation turned to governmental business; and we have accomplished much with the assistance and cooperation of the United States Navy and in return have furnished them with a highly reliable, well-performing product.

Early in 1933, six of our Navy P2Y1 airboats flew in formation from San Francisco to Hawaii, 2 years prior to the start of Pan American Airways' present operation between those points. In the fall of 1935, one of our current production airboats, the PBY, was flown nonstop from Coco Solo, Canal Zone, to San Francisco, establishing a world's distance record, broken only within the last month. Twenty-four more of our PBY's have flown, in two 12-plane formations, from San Diego to Hawaii, and 26 more to the Canal Zone, setting another

distance record for formation flying. Thus, a total of 57 transoceanic flights have been successfully accomplished by Consolidated flying boats without difficulty, but with meager publicity, since these flights were felt to be no more than routine transfer of personnel and matériel by the Navy. Two other Consolidated airboats, purchased for scientific exploration by Mr. Richard Archbold, of the American Museum of Natural History, have each spanned the continent nonstop, and arrived at the Atlantic seaboard with sufficient fuel remaining for 2,000 additional miles. One of these airboats was later used by Sir Hubert Wilkins in his search for the missing Russian transpolar flyers, and in that search traversed more than 20,000 miles over the barren Arctic wastes, without any mishap or difficulty.

We are now building for the United States Navy 176 of these PBY airboats and have just been awarded an additional contract for 33 more, making a total of 209, all of which are of a size and performance well adapted to certain phases of transoceanic commercial air transport. But still we have no customers. We seek the answer.

A recent Post Office proposal for mail between New York and Bermuda states the requirements are, *inter alia*, 1,000 miles range with 10 passengers and 800 pounds of mail. Both load and range are well within the capacity of our commercial version of the Navy PBY's. Paragraph 11 of this proposal reads, "The contractor must make its own arrangements at its own expense in securing concessions necessary to operate over, into, and from Bermuda." I have heard that Pan American Airways is the exclusive American air line which enjoys such a concession, thus making it impossible for any other prospective customer of ours to bid on this proposal. The field is definitely limited to the one bidder who holds the concession. So why waste time with the bidding formality?

Further, the proposal stipulates that service shall start within 6 months. As manufacturers of flying boats, we know that 4 months are required to assemble the raw materials. A quantity of new boats, of existing design, could not be produced in less than 10 to 12 months; and a new type would require at least 18 months. To make the Post Office proposal truly competitive, the United States Government should obtain the needed concessions, and sufficient time should be allowed prospective bidders for the procurement of adequate equipment.

We, as designers and builders of efficient flying boats, need more commercial operators as customers. If the New York-Bermuda air mail proposal is a fair example, then we have a long wait ahead of us, should the destiny of transoceanic air transport remain in present hands.

We believe transoceanic air transport can best be worked out in conjunction with existing steamship lines, complementing rather than competing with them. Flying boats need no prepared landing fields; and, in the main, steamship docks and terminals are not only satisfactory but much more convenient of access than the usual airports. The traffic organization, operating talent, and overhead of the steamship line will suffice for the air operation. Customs facilities likewise are identical. I am certain that the joint operation, by one concern, of water- and air-borne equipment will be economically sound and will render a real public service. American-built airboats, engines, propellers, and accessories are the best in the world today. Given a

healthy competitive condition in the over-ocean air-transport field, American builders and operators will maintain their leading position in this important world competition. For this, and other reasons, I favor placing the control of over-ocean air transport in the hands of the Maritime Commission.

Transoceanic air lines present merely another vehicle which can utilize existing facilities, and the transition from present surface vessels to airboats is not much more of a step than the change from sail to steam. I can readily visualize aircraft so large that they will be ships in the truest sense of the word, carrying the same navigating facilities, the same precautions against mishap, manned by the same type of personnel that for years have carried our flag to the remote corners of the earth.

But under existing legislation very few American airplane manufacturers are able to market their products. We have recently had inquiries for our products from an American steamship line, but have not had any from the one American oceanic air line in the past 2 years, except for one received only last week, and which I have not yet had a chance to examine. With proper legislation, the field should be open to a healthy demand. As the steamship lines enjoy subsidies—and rightly—then also should oceanic air lines, operating over the same oceans, enjoy such subsidies, provided the element of healthy competition is included in such a step.

I wonder if you gentlemen realize the cost of a modern transoceanic air liner, through the experimental and development stage? Two million dollars is not adequate to take care of engineering, research, wind-tunnel tests, static tests, and the thousand and one items of development expense which always attend a project of this sort.

The CHAIRMAN. Would that expense attach to every single one of such planes? Would you have to make all those tests? I mean to say, after your company built one, could you standardize it?

Mr. GOTT. No, sir; after the first one is built, the rest come out more easily. It is the first one which is the "hump" of the proposition.

The CHAIRMAN. I see.

Mr. GOTT. As I say, when the experimental work is completed, the production of the article in quantity is not so expensive. The experimental stage is the "hump" which at present is difficult and almost impossible to surmount. Here again, judicious governmental assistance and cooperation are needed.

We are located on the Pacific coast. Naturally, we wish to do what we can to promote the welfare of our part of the United States. For years, water-borne shipbuilding has languished on our shore; and, in fact, it has been one of the cares of you gentlemen to do what you could, in the way of a Pacific coast differential, to revive the shipbuilding industry there. Inclusion of aircraft in the proposed legislation will further this aim, inasmuch as a majority of the American aircraft manufacturers are now located on the west coast, thus receiving a tremendous impetus from such action.

Our prospective commercial customers are yet to appear. There is money available to foster marine development. The problem regarding water-borne traffic is identical to that concerning airboat operation. A shipping company may efficiently operate both types of craft. This does not mean that other air lines, pure and simple, will not come forward in the future; this simply means that, at present, none have the

temerity to pass even the formative stage. Airboats are essentially marine vehicles. Even now they must carry suitable navigating equipment, foghorns, anchors, and other marine gear. They should come under the same jurisdiction as the sea-going water-borne craft.

Regarding the question of suitable control of trans-oceanic flying, we believe such control to be geographical rather than topographical. The same control which now applies to water-borne craft should be applied to the air-borne craft plying between the same termini and over the same ocean.

For instance, the analogy between a railroad and a transcontinental air line does not exist to the same extent as the analogy between a transoceanic air line and a transoceanic shipping line, for the reason that the railroads do not use the landing fields, and all their adjuncts, of the transcontinental air lines, whereas the transoceanic ships and transoceanic air lines do use the same facilities.

Competition is the life of trade; and it is maritime trade and commerce that you gentlemen are vitally interested in, and desire to revive.

That is all I have to say. Thank you, Mr. Chairman, and gentlemen.

The CHAIRMAN. I should like to ask you one or two questions.

Mr. GOTT. Yes, sir.

The CHAIRMAN. In order to take those planes from the west coast to the east coast, you would have difficulty in landing, should you have occasion to do so, because of the restricted fields, would you not?

Mr. GOTT. Well, Senator, I am speaking of airboats now.

The CHAIRMAN. I see.

Mr. GOTT. The two transcontinental flights that I mentioned were made by Mr. Archbold because he wanted to go from coast to coast in a hurry. And I should not recommend it, at all, for continued operation. I am speaking of trans-oceanic operation, and merely mentioned that to indicate to you the range and efficiency of the ships which we are now building.

The CHAIRMAN. I take it, from what you said, that you feel that under the present arrangement there is lack of opportunity for competition?

Mr. GOTT. Exactly.

The CHAIRMAN. Therefore, may I assume that you favor the provisions of the bill?

Mr. GOTT. I do.

The CHAIRMAN. In building and operating these ships, would it be necessary to provide a subsidy?

Mr. GOTT. It might be necessary; it should be available. I am not saying that we have to have it. But we would like to have the same provisions extending in our direction, in the building of transoceanic airplanes, as you may care to extend to the builders of ships for water-borne traffic.

The CHAIRMAN. Do you have faith to believe that, with the increased popularity of the service, it would ultimately become self-sustaining?

Mr. GOTT. That is our hope, yes. We want a start.

The CHAIRMAN. The talk about these new planes is that they will carry 100 passengers. Is that possible?

Mr. GOTT. Yes, indeed. None has as yet been built of that size; but that is entirely possible.

The CHAIRMAN. It is feasible?

Mr. GOTT. Yes.

The CHAIRMAN. I see. Well, sir, we are much obliged to you, and appreciate your coming this great distance to give us your views.

Unless there is an urgent appeal, and a definite reason for it, there will be no further public hearings this week. Does anyone here protest against this suggestion?

(No response.)

The CHAIRMAN. Very well; then you will see, by the aid of the press, when we are to meet again. Thank you very much.

(Whereupon, at 12:05 p. m., an adjournment was taken, subject to call.)

(The chairman directed that the following communication be inserted at the end of the testimony:)

NATIONAL MEDIATION BOARD,
Washington, December 14, 1937.

HON. ROYAL S. COPELAND,
Chairman, Senate Commerce Committee,
United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: In accordance with your request of December 7 the National Mediation Board submits the following statement with respect to title X of S. 3078, referring to the mediation of labor disputes in the maritime industry.

This title X appears as an amendment to the Merchant Marine Act of 1936, but it really proposes to amend the Railway Labor Act, although there is no direct statement in any of the sections included under title X stating that the Railway Labor Act shall be amended. If it is the purpose of title X to establish a system of regulation of labor relations in the maritime industry similar to that of the Railway Labor Act with respect to the railway labor relations, that purpose is not likely to be accomplished by the provisions of this title.

Whereas the Railway Labor Act operates independently of the Interstate Commerce Act under which railroads are otherwise regulated, this bill makes the labor relations of the maritime industry subject to the provisions of three different acts (1) the Merchant Marine Act of 1936, (2) the National Labor Relations Act, and (3) the Railway Labor Act. It divides the responsibility for labor relations among three separate authorities, the National Mediation Board, the National Labor Relations Board, and the United States Maritime Commission. Such a division of responsibility will prevent the development of a consistent labor policy for the maritime industry.

Section 1001 (a) of title X defines the term "maritime employer" and proposes in cases of dispute that the Maritime Commission shall, upon request of the Mediation Board, determine whether an employer is a maritime employer within the meaning of this subsection. In subsection (b) of the same section there is a similar provision with respect to determining who are employees. This authority of the Maritime Commission is likely to conflict in certain respects with the authority of the National Labor Relations Board. The definitions in this section 1001 are not coterminous with the jurisdiction of the United States Maritime Commission. They include longshore industries, stevedoring, trucking, ship repairing, warehouses, and the like. With respect to any of these that are not subject to the jurisdiction of the Maritime Commission, conflicts of authority are likely to arise, because the definitions include portions of a number of industries while the labor relations of the other portions of the same industries will be subject to other authorities.

Section 1002 attempts to extend all the provisions of title I of the Railway Labor Act to maritime employers and employees, except paragraphs fourth, fifth, and ninth, section 3, and section 10. Section 2 of the Railway Labor Act is composed of 11 paragraphs in which the general purposes, policies, procedures, and duties of employers, employees, and the Mediation Board are developed as a consistent whole. By taking out the fourth, fifth, and ninth paragraphs, as this bill proposes to do, the consistent policy of the Railway Labor Act is broken up, and it will be difficult to determine what the real policy of this proposed title X is, because some of it will have to be determined by the National Labor Relations Board, some by the United States Maritime Commission, and some by the National Mediation Board.

Section 1003 leaves the responsibility for the settlement of representation disputes among employees in the National Labor Relations Board, but nothing is said about the unfair labor practices which are defined in the National Labor Relations Act and closely connected with the procedures for handling representation disputes under the act. In the Railway Labor Act both representation disputes and mediation disputes are entrusted to the administration of the Mediation Board.

Section 1003 also amends the National Labor Relations Act by providing (line 24, p. 25) that the Labor Relations Board must hold elections at the request of "the maritime employer" as well as at the request of employees. This is not only contrary to the policy of the present National Labor Relations Act but also to the policy of the Railway Labor Act. The amendment would make representation disputes among the employees of the maritime employers subject to an entirely new labor policy not applicable to railway employees or to the employees of any other interstate industry; and this very questionable although exceedingly important change is made without expressly stating that the National Labor Relations Act is amended in this respect. It would seem to invite confusion to apply to the maritime employees parts of the labor policies of the Railway Labor Act, of the National Labor Relations Act, and of the Merchant Marine Act, and then to add an entirely new policy of changing the procedures under the existing labor relations laws.

Consider, for example, what would happen in the matter of choosing representatives by craft or by industries or some other bargaining unit. The Railway Labor Act makes it obligatory that the National Mediation Board shall certify representatives by craft, and elections among the marine department employees of the railroads are held on this basis. The National Labor Relations Board, however, is authorized to determine the bargaining unit that it considers most appropriate in a particular case. It may decide against craft representation and for a combination of crafts or for some other unit. By placing maritime employers and employees under the jurisdiction of both the National Mediation Board and the National Labor Relations Board the conflict between craft and industrial unionism may well be translated into a conflict between the two Government boards.

Section 1004 is evidently intended as a substitute for Section 3 of the Railway Labor Act. It makes it the duty of every maritime employer and its employees to establish a board of adjustment. Section 3 of the Railway Labor Act, however, does not make the creation of such local adjustment boards obligatory. It is permissive only. Section 1005 authorizes the National Mediation Board to establish a National Maritime Adjustment Board when in its judgment such a permanent national board of adjustment is necessary.

It is doubtful whether either section 1004 or section 1005 can accomplish the purposes that are achieved by section 3 of the Railway Labor Act. No act of Congress can compel an employer to make a written agreement with a labor organization unless he desires to do so. The adjustment boards are necessary only when there are written agreements in effect in order that they may settle disputes with respect to interpretation or application of such agreements. Where there are no agreements, such adjustment boards cannot function. In the railway industry the employers are willing to make written agreements with labor organizations, and their representatives assured congressional committees that they wanted to make agreements. The railroad labor organizations have taken a similar position. It is questionable, however, whether the employers in the shipping industry, longshore industry and trucking industry and others whose employees may be covered by this bill, desire to make such written agreements with labor unions and whether some of the unions in these industries want written agreements. Under these circumstances sections 1004 and 1005 are not likely to accomplish their purposes.

Section 1006 appears to be a substitute for section 10 of the Railway Labor Act. It differs, however, in very important respects. It provides for the appointment of emergency boards not by the President, as does the Railway Labor Act, but by the United States Maritime Commission, if a labor dispute is not adjusted under the provisions of the proposed bill, but it does not require the National Labor Relations Board or the adjustment boards to make any such report. The representation disputes which are by this bill entrusted to the jurisdiction of the National Labor Relations Board, and the disputes which are by the bill referable to adjustment boards, are likely to cause as many strikes and threats of interruptions to commerce as the disputes which are made subject to the jurisdiction of

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EXECUTIVE SESSION

AMENDING THE MERCHANT MARINE ACT OF 1936

THURSDAY, DECEMBER 16, 1937

**UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.**

The committees met in executive session at 10:30 o'clock a. m., in the committee room of the Senate Committee on Commerce, in the Capitol, Senator Royal S. Copeland, Chairman of the Senate Committee on Commerce, presiding.

Present: Senators Copeland (chairman of the Senate Committee on Commerce, presiding), Thomas of Utah, Murray, Graves, Vandenberg, White, and Gibson.

Present also: John W. Mann, Max O. Truitt, Captain Granville Conway, and Daniel S. Ring, representing the Maritime Commission.

The CHAIRMAN. We are meeting this morning to give consideration to material which comes from governmental sources, the material relating to labor conditions aboard American ships. This material is in the form of letters and reports of Government officials. For the purpose of the record each one of the communications presented will be given a number in order that it may be identified. It will be later determined by the committee what disposition to make of this material.

Mr. TRUITT. Some of this material comes from seamen, and you can imagine what is going to happen to a seaman who has written in complaining about conditions brought about by the people for whom he is working. He is promptly going to be thrown off the ship. Some of the letters come from stewards. A large number of them are from consular representatives.

Senator THOMAS of Utah. Have you gone into the antecedents of any of these men to see whether they were planted in these various places, employed by detective agencies?

Mr. TRUITT. I have made no investigation. They are passed on just as they came. I think the reports that come through the State Department are entitled to very high probative value.

The Chairman. It is the sense of the committees that the various Government departments be called upon to present to the committees any material they have in their files relating to the problem of labor and ship-operator relationships?

Senator VANDENBERG. I move accordingly.

(The motion was duly seconded and agreed to.)

Senator WHITE. I understand that the committee, when it has had an opportunity to familiarize itself with this information, will determine just what use to make of it?

The Chairman. That is the understanding of the chairman of the Committee on Commerce. Is that agreeable to the chairman of the Committee on Education and Labor?

Senator THOMAS of Utah. I think so. Of course your committee would act in any way it wished, regardless of our wishes in the matter.

The CHAIRMAN. May I say in that connection, Senator, that I feel that it is only fair, just, and right that whatever we do we do cooperatively.

Senator VANDENBERG. I should prefer it, because I should like the benefit of the experience of Senator Thomas and his group in dealing with situations like these, so that I shall not be sucked into a blind alley by some self-serving situation.

The CHAIRMAN. I feel the same way; and I know that so far as Senator Thomas and I are concerned, we will act as Christian gentlemen.

Senator VANDENBERG. Lest it be subsequently overlooked, Senator, I ask that this article from the New York Herald Tribune, of Thursday, December 16, 1937, be inserted in the record. It concerns a protest by 134 cabin passengers of the line *Hoover*.

The CHAIRMAN. Without objection, it will be received.

Senator VANDENBERG. It is very significant.

(The newspaper clipping referred to and submitted by Senator Vandenberg is read into the record at this point.)

LINER HOOVER'S CREW CENSURED BY PASSENGERS—DRUNKEN SAILORS ARE SAID TO HAVE TERRORIZED WOMEN AFTER SHIP RAN AGROUND—CAPTAIN PRAISED HIGHLY—UNTRAINED MEN BLAMED FOR CAPSIZING OF 2 LIFEBOATS

(By Wireless to the Herald Tribune)

(Copyright, 1937, New York Tribune, Inc.)

MANILA, Dec. 15 —One hundred and thirty-four cabin passengers and 300 third-class passengers from the grounded Dollar liner *President Hoover* arrived here today aboard the Dollar liner *President McKinley*, the majority of them bringing high praise for the conduct of the *Hoover's* captain, George W. Yardley, and his officers, but condemning the behavior of some of her crew after the ship struck a small island near Taiwan (Formosa) last Friday midnight.

An American passenger representing a large United States publishing firm, who declined to permit use of his name, said: "With the exception of a few older hands, the majority of the crew, most of whom were recruited from hiring halls, were a disgrace to American shipping."

This passenger charged that fully 50 percent of the crew never had been seamen before and did not know how to man the lifeboats, as a result of which the first two boats transferring passengers from the stranded liner to the nearby island of Hoishoto were capsized. He said the passengers were landed safely only when the boats were pulled to shore by cables.

TELLS OF TERRORISM

As soon as the passengers were safely ashore, he continued, many of the crew members, most of whom were drunk, mingled freely with the passengers and did not recognize the authority of the officers.

During the first night on shore, this passenger asserted, drunken members of the crew broke into the makeshift quarters of the women passengers, terrorizing women and children, some of whom ran out asking for protection of the men passengers. Finally some officers and older members of the crew succeeded in quieting the intoxicated men, he said.

Mrs. Charles Salmon, wife of an insurance executive, who was returning after an extended visit to her two daughters in New Jersey and New York, corroborated the story of this passenger, saying that as soon as the ship grounded, crew members broke into the *Hoover's* bar, taking possession of all liquor. She said that later, on the shore, drunken crew members walked among the passengers "eating sandwiches and drinking champagne," and saying, "Pretty soon we will control the ship."

Mrs. Salmon added that in two or three instances members of the crew tried to break into the women's quarters, and later marched to the village, where they created disturbances. She said she watched the work of the crew after the stranding of the *Hoover*, and was convinced that many "never saw the sea before."

The *Hoover* passengers, after boarding the *McKinley*, held a meeting and approved a resolution thanking Captain Yardley and his officers "for the safe and efficient landing of the passengers under hazardous conditions."

JAPANESE GIRL IS HEROINE

MANILA, Dec. 15 (UP).—The *President Hoover's* passengers who arrived here today all praised the work of the crew of the *Hoover* and the kindness with which they were received by the natives of the Japanese island of Hoishoto.

Dr. George Corbett, of London, said "the experience of going aground was decidedly unpleasant but the splendid morale of every one helped tremendously."

"We were forced to wade ashore in knee-deep water when the lifeboats took us to the island," he said. "The sea was covered with oil dumped by the *Hoover* to calm the seas. After getting ashore most of the men made themselves shorts by cutting off their trouser legs."

The *Hoover* passengers mostly wore soiled and borrowed clothing. Heroine of their brief stay on the island, American passengers agreed, was pretty, young, English-speaking Miss Kiyo Koyama, who was dubbed "the *Hoover's* Florence Nightingale" because of her tireless work in translating and in arranging accommodations on the island, which has a population of only 2,300 and which was taxed sorely to care for the refugees.

Miss Koyama, a native of Kobe, Japan, also assisted in treating passengers who were cut and bruised as they were transferred from the *Hoover* to the island.

"As soon as we got ashore," Mrs. Benjamin F. Allison, of Mason City, Iowa, said, "Miss Koyama began rounding up food for the children of the *Hoover*. After that some hams were brought ashore from the ship, and Miss Koyama directed the roasting of 'ham a la Hoover'."

Jess Storey, of Bremerton, Wash., who was accompanied by his wife and daughter, said that on the island "the villagers escorted many of us to the school in the center of the village of Milehal where we slept on the floors."

"Others," he said, "were taken into the humble homes of the Japanese on the island. The natives fed us with fish and rice, a diet that we quickly abandoned once the lifeboats from the *Hoover* furnished us with provisions."

"I slept in a bunkhouse with Japanese marines," R. B. Marsh, of San Francisco, reported. "They seemed like pretty good fellows. The best guy on the *Hoover* was Marc Marcovich, the chef. He commissioned supply boats and served 800 of us with three meals on the last day on the island."

The CHAIRMAN. Yesterday I received a file of material from the Maritime Commission. At my request Mr. John W. Mann, adviser to the Commerce Committee, has gone over this material and put it in form for presentation. I will call upon Mr. Mann now to read such material as he has before him.

Mr. MANN. If I take this and read it all through, Mr. Chairman, it will take quite some time. I think if it is to be printed, the material should be gone over carefully in my office and the names deleted and also the routes deleted where there is only one American line on a route.

Senator WHITE. Any identifying evidence should be withheld at the present time, I take it, the names as well as any other facts in the letter which would serve to identify the writer of the letter. For the time being I suppose that would be withheld?

The CHAIRMAN. I agree to that. At the same time, I do not quite agree with Mr. Mann. If we are making this a matter of record, I think the material should be included in the record, and then the deletions may be made accordingly.

Mr. MANN. Here is one from a passenger dated October 13, 1937 [reading]:

My experience on board U. S. vessels has been very similar to his, there being an absolute disregard of courtesy on the part of the crews, who show a definite lack of loyalty to the officers and the company itself. I can best describe what I mean through one instance recently on the ----- Line coming from ----- to ----- . My waiter had handed me the ship's newspaper to read at breakfast table when, within a few moments, another waiter came over and snatched the paper from my hands with a remark that it was his paper, "Go and get your own." I immediately reported the matter to the Captain who stated it was unfortunate but that there was little he could do except to move the waiter to another job on the ship. He was forced to take the crew which was sent to him.

It seems to me, one of the first tasks of the Maritime Board should be to see that discipline is enforced on board ship and eliminate such men who will not serve the public in a courteous manner, or who endanger passengers' lives by refusing to carry out safety regulations. The American public will refuse to sail on American ships unless effective discipline can be enforced by officers on board ship.

(The letter referred to was marked "Exhibit 1.")

Senator WHITE. The letter is identified by a number, and it will be available to the committee, and if it becomes desirable for us to know just what this particular ship was and just who the captain was who made this statement, the information will be available to us. Of course the moment you put that captain's name into the record, you hold him up as a target.

Mr. MANN. I have here a letter from another passenger, dated November 1, 1937.

The CHAIRMAN. From the same ship?

Mr. MANN. No, sir.

The CHAIRMAN. The names will be deleted.

Mr. MANN (reading):

Regarding the service, there was a lot to be desired in discipline and proper courtesy toward the passengers. For example, when a deck steward addressed Mrs. ----- in this manner, she didn't much appreciate it—"Say, Toots, wouldn't you like to sit over here now?" Then when the waiter at the table addressed the four women who were in the party, saying "All the girls at this table are nice," it wasn't exactly discourteous, but it was just out of order, showing a woeful lack of good discipline and training.

I take the liberty of dropping you this note because I thought you might like to have a check-up on your organization once in a while. I hate to see good American business lost to foreign lines, but this is one sure way to push it into the hands of the competition and, as I understand it, there is plenty of competition in the shipping business.

(The letter referred to was marked "Exhibit 2".)

Mr. MANN. Here is a letter from another passenger on another ocean dated October 14, 1937. [reading]:

Recently the writer left ----- for a business trip to this part of the country and, being intensely American, naturally took an American vessel, namely a ----- boat. It is with the keenest regret that I must say that as far as returning to ----- via an American boat I am certainly not going to do so, preferring to travel all the way to Vancouver and travel via Canadian Pacific Line.

Why? So unionized have the American lines become that the waiters are uncouth, rude, and frankly tell passengers that they must act the way the waiters want them to act during eating hours or they will get no service. Bell boys, bath boys, deck stewards, in fact every white man other than officers aboard the ship, made it decidedly unpleasant for passengers. The only civility seen came

from the Chinese boys. Waiters demanded tips, deck stewards refused to give service without extra individual remuneration, bell hops actually wait with extended hands for tips. Were the service rendered worthy of tips we would be happy to give, but when members of the crew actually crowd passengers off the rail so that they can wave to their friends on the dock, when waiters are surly, snatch plates from under the noses of passengers and throw knives and forks, etc., on the tables if asked for extra helpings, it is our belief that such service calls for a severe reprimand rather than a tip.

Every passenger on the ——— with friends in the Orient ready to leave for the United States cabled said friends to travel on British, Japanese, or foreign vessels, of some type. If these conditions as described continue, the writer, as an American businessman, feels that nothing but shame and bankruptcy can reward the American merchant marine.

(The letter referred to was marked "Exhibit 3.")

Senator VANDENBERG. Are all of these letters of the same character, relating to discourtesy?

Mr. MANN. No, Senator. I have some here that are different, but I have not arranged them in any particular order. I have just taken them as they came.

Here is one from the State Department forwarding a report from the American Consul General, Naples, Italy, dated August 24, 1937 [reading]:

The crew threw potatoes at the Carabinieri, one of whom fired in the air. It is also alleged that members of the crew shouted various epithets against the Fascist Government. * * *

The lack of discipline at present prevailing among American seamen on vessels employing members of the west coast unions and, to a lesser degree, on ships employing seamen from the east coast, has been consistently creating difficult situations at this port, and this disturbance on the S. S. *President Adams*, unfortunately, is only an indication of what is going on and not a case of an unusual occurrence on a particular ship.

(The report referred to was marked "Exhibit 4.")

Here is another consular report forwarded through the State Department, American Consulate General, Shanghai, dated July 2, 1937.

Mr. MANN [reading]:

I have the honor to bring to the attention of the Department the serious, not to say deplorable, lack of discipline prevalent on American vessels touching at Shanghai. The almost complete lack of a sense of responsibility and discipline among American seamen has made American shipping almost a laughing stock in this country. It is well to mention, however, that these conditions are as yet largely confined to vessels whose crews are shipped in Pacific coast ports as comparatively little difficulty is experienced with crews shipped in Atlantic and Gulf ports though there is evidence that the latter are beginning to emulate the Pacific coast seamen.

* * * It has become rare for an American vessel to leave port without leaving behind some one to six or seven seamen. It is true that the men are not as a rule outright deserters, but they are so totally irresponsible and undisciplined that they are unable to take their duties seriously. They realize also, that the companies must maintain them and arrange for their repatriation or employment on other vessels or that in certain cases the Consulate General must grant them relief. As a result of the number of men left behind here and in other ports of the Orient, this office at times resembles a labor exchange with ships needing men to replace those left in a previous port and in turn leaving a few more when they sail. * * *

It is not only that deserters and stragglers are so numerous that is injuring the reputation of American ships and seamen but that the seamen are constantly making absurd demands which are usually conceded by the companies, as they realize that the men are prepared to strike or to refuse to work until their demands are granted. * * *

Early in June the union delegates representing the deck, engine, and steward's departments of the S. S. *Admiral Wood* called at this office and stated that the

entire crew except for four or five men had come ashore and they were prepared to strike, as they had no food on the vessel that day and the master had refused to give them the allowance per meal specified in the contract with the unions. Investigation revealed that the lack of food was due to the refusal of the cooks to use the coal provided by the company for use in the galley. This coal was that which almost every company provides as kitchen coal, but the cooks stated that they were not used to this coal and could not possibly cook with it. * * *

On June 25th the S. S. *Admiral Cole* was in port discharging a cargo of lumber from Tacoma and was to sail on June 27th for Dairen. On the 25th about one-half of the ship's complement was ashore and sent word to the agents that they would be unable to return to the ship until just before sailing time on the 27th. The vessel was due to shift her berth on the 26th to take on bunker oil and the agents were compelled to hire Chinese to assist in shifting the vessel. On the 27th when the vessel was ready to sail the absent seamen had not appeared and it was necessary for a representative of the Dollar Company to round them up from various saloons and other places frequented by seamen.

On this same vessel there occurred a fight between the white crew and the negro cooks and stewards. It is understood that the crew had been drinking aboard the vessel and that the white members threatened to beat up or kill the negroes. The latter appealed to the United States marshal who promised to make arrests if necessary but the trouble was in the end settled peacefully.

On one Dollar Line vessel the crew complained that only one kind of ice cream was served to them, whereas passengers had a choice of two or more kinds.

They insisted on equal treatment and received it. On another vessel the crew demanded a large electric toaster of the type used by hotels, large ships, restaurants, et cetera. As these toasters are almost unobtainable outside the United States the demand had to be refused but it is believed that the crew won their request when the ship returned to an American port. Demands of this nature are said to be common and do not represent any real grievance on the part of the men but only a desire to show their power.

Another unfortunate result of the successive maritime strikes has been that the seamen's unions have been able to make it virtually impossible for a man not a member of the union to obtain employment on an American vessel. In actual practice it occasionally happens that a vessel needs men in a foreign port and of course there are no union men available except for deserters and stragglers. Union delegates sometimes in these circumstances permit a nonunion man to be signed on but he usually finds life made very difficult for him. In one instance in Shanghai a young man who had signed on in Manila was "taken for a ride" while his vessel was here and severely beaten by members of the crew. The unions apparently forbid their men to sign on vessels as workaways with the result that unless deserters and stragglers can find regular employment on other vessels they must be returned to the United States as consular passengers. The bad effect of this practice on a large scale is obvious. Formerly it was often possible to return destitute American citizens to the United States as workaways on American vessels but this is virtually impossible today as the union delegates would not permit a master to sign on such a person, and no ship's master dares defy the unions on a ground such as this.

Complaints of passengers on the conduct and attitude of stewards and others of ships' complements are so frequent that they have become commonplace. When passengers threaten to report a man to the captain or other officer a common retort is "Go ahead; he has nothing to say about it." It is not true that every seaman is of this type but it is true that this element seems to preponderate and to be in control of the seamen's unions. The difficulties arising out of the prevalent situation are obvious not only from the point of operation of vessels, but the blow to the prestige of the American merchant marine is such that recovery seems impossible without a changed attitude on the part of maritime labor. * * *

There are a great many shippers in Shanghai who say that they would never ship cargo on American vessels as they can never be quite sure that it will arrive on time, due to strikes and other disturbances. * * *

These shippers say that they would not use American vessels now if there was sufficient available space on foreign ships. The same complaint is heard from passengers, who say that they would not travel on American ships if foreign vessels had accommodations. The complete lack of discipline on American ships on the Pacific and the fact that passengers cannot obtain the type of service to which they are entitled does not augur well for the future of American shipping. Passengers of any nationality expect to receive civil treatment and not to be subjected to the insults and whims of members of the ship's complement.

It is a complaint of shipping companies that crews do not live up to the contracts signed between the operators and the unions on the termination of the last strike. The agreement provides that there shall be no unauthorized strikes and that differences shall be adjusted by port committees. Crews, however, appear to have no hesitancy in threatening what are known as "quickies," or no-notice strikes, whenever they have any real or imaginary grievance. Many seamen with whom a consular officer comes in contact realize that the present conditions are unfair not only to the companies but to themselves, but they are unable to do anything to remedy conditions as the extremists seem to have the machinery of the seamen's organizations in their hands.

It is to be hoped that some adjustment of relations between the men and the companies can be effected before American shipping suffers further damage to the little that remains of its prestige in the Far East. Unless this is done it is certain that American shipping will be in danger of extinction when the present boom conditions no longer prevail or if another slump should overtake the shipping industry.

(The report referred to was marked "Exhibit 5.")

There are quite a number of consular reports here, but they are rather lengthy.

Senator GIBSON. Was that last one a consular report?

Mr. MANN. Yes, sir; from our consul general at Shanghai. There are 11 consular reports on this subject.

The CHAIRMAN. Are they all in the same spirit and the same tenor?

Mr. MANN. Yes; although some are more specific.

The CHAIRMAN. Let us have one that is more specific.

Senator GRAVES. Is that a recent letter as to a very recent condition? The reason I ask that is that I think it was testified the other day that they never struck at sea; that they always completed the trip before they struck, and it was stated that particularly in the last 6 months, since they signed these contracts, they did not have trouble at sea, but waited until they got into port again.

The CHAIRMAN. I think a witness made that statement at the hearing, Senator, but I think that we have abundant evidence to show that he might have been mistaken.

Senator GRAVES. I believe he emphasized the words "within the last 6 months." I remember he kept saying "within the last 6 months"; and I was wondering if these letters included that time.

The CHAIRMAN. You remember the *Algic* case happened within the last 6 months. The *California* case happened some months before that. Papers were made out to arrest the men, but some of the papers were not served in New York. The conditions here spoken of are quite recent; that is, they are within the current year. The testimony of the witnesses was that since they started to make these agreements, everything was "apple pie."

Senator VANDENBERG. The occurrence last week that is reported in the Herald Tribune is far more pertinent than any of this material. The conditions are very definite, very specific, and very insufferable.

The CHAIRMAN. Suppose, for the benefit of the committee, you read that. It is short.

Senator VANDENBERG (reading:)

MANILA, Dec. 15.—One hundred and thirty-four cabin passengers and 309 third-class passengers from the grounded Dollar liner *President Hoover* arrived here today aboard the Dollar liner *President McKinley*, the majority of them bringing high praise for the conduct of the *Hoover's* captain, George W. Yardley, and his officers, but condemning the behavior of some of her crew after the ship struck a small island near Taiwan (Formosa) last Friday midnight.

An American passenger representing a large United States publishing firm, who declined to permit use of his name, said: "With the exception of a few older

hands, the majority of the crew, most of whom were recruited from hiring halls, were a disgrace to American shipping."

This passenger charged that fully 50 per cent of the crew never had been seamen before and did not know how to man the lifeboats, as a result of which the first two boats transferring passengers from the stranded liner to the nearby island of Hoishoto were capsized. He said the passengers were landed safely only when the boats were pulled to shore by cables.

As soon as the passengers were safely ashore, he continued, many of the crew members, most of whom were drunk, mingled freely with the passengers and did not recognize the authority of the officers.

During the first night on shore, this passenger asserted, drunken members of the crew broke into the makeshift quarters of the women passengers, terrorizing women and children, some of whom ran out asking for protection of the men passengers. Finally some officers and older members of the crew succeeded in quieting the intoxicated men, he said.

Mrs. Charles Salmon, wife of an insurance executive, who was returning after an extended visit to her two daughters in New Jersey and New York, corroborated the story of this passenger, saying that as soon as the ship grounded, crew members broke into the *Hoover's* bar, taking possession of all liquor. She said that later, on the shore, drunken crew members walked among the passengers "eating sandwiches and drinking champagne," and saying, "Pretty soon we will control the ship."

Mrs. Salmon added that in two or three instances members of the crew tried to break into the women's quarters, and later marched to the village, where they created disturbances. She said she watched the work of the crew after the stranding of the *Hoover*, and was convinced that many "never saw the sea before."

The *Hoover* passengers, after boarding the *McKinley*, held a meeting and approved a resolution thanking Captain Yardley and his officers "for the safe and efficient landing of the passengers under hazardous conditions."

Mr. MANN. Here is a letter from the chief steward on a ship of the ———, in which it is stated [reading]:

The crew are constantly making complaints about various things and call a court quite often and try different members of the ship's personnel and call for their dismissal from the ship. The officers have all been intimidated to such an extent that they dare not make any attempt at enforcing discipline. Officers have been attacked by members of the crew, and the guilty persons could not be removed from the vessel.

We are all union men on this vessel and all the officers answered the strike call of last November, but it seems that those of us who are not inclined towards communism are treated about on a level with a strike-breaker.

There are members of the crew of this vessel who boast of being Communists and stand on deck and give the Communist sign when passing Russian ships in the ports of ——— and ———. I am interested in the success of the American merchant marine and hope that something will be done to bring back law and order to American ships before the better class of sea farers have all been ran off the American ships by the Communist element now in control.

He encloses copies of the menus which the men refused to accept.

(The letter referred to was marked "Exhibit 6.")

Mr. MANN. Here is a letter from a deck delegate who writes in a complaint to Mr. Kennedy; but it seems more harmful than helpful to him [reading]:

The vessel was due to leave ——— at 1:00 a. m. September 16th, and a half hour before that time the captain told the mates that if the gang was not aboard at 1.00 a. m. to chop the lines. The chief officer was informed at sailing time that the carpenter, six A. B.'s, and an ordinary seaman was still ashore and the gear and hatches were still not secured. The captain said that he was not interested and to let go the ship.

The men on board naturally refused to do this, as they had already experienced going to sea improperly secured. When the ship left ——— the booms were not lashed and the strongbacks just laying on the hatches. Also the lines were left on deck. The ship hit a blow in the Gulf of Lower California, and all hands had to be broke out to secure the ship.

And here the master wants to head out into the Caribbean Sea without the booms down or the hatches even battened and eight men from the deck department still ashore.

The mate aft started to chop the spring line, but the axe was so dull he had to take the lines in aft, then the ship run ahead a little, and the bow lines were thrown off the deck and left hanging in the water. But before the bow lines were let go, the missing men were on the dock. The captain hollered down that the company would not be responsible for getting the men aboard, so they rented a launch and caught the ship out in the stream. The captain's words to the quartermaster at the wheel were, "I have a case against them now." So you can plainly see that he is trying to bring about trouble between himself and the crew.

(The letter referred to was marked "Exhibit 7.")

Mr. TRUITT. Here is a letter signed by three officers of that ship relating to that same incident.

The CHAIRMAN. Let us complete the record on that, then.

Mr. MANN. This letter is signed by three officers of the ship—

The CHAIRMAN. To whom is it addressed?

Mr. MANN. To Mr. Joseph P. Kennedy. It reads [reading]:

In the belief that your Commission is founded upon fairness and equal treatment for all, which should include equally officers entrusted with the responsibility of operating American vessels as well as drunken irresponsible crews carried thereon, we the undersigned officers of this vessel respectfully request that you designate some member of your organization to conduct an investigation tending toward the punishment, and curbing in the future, the conduct and actions of certain members of the unlicensed personnel such as took place at ——— the morning of September 16th, the present voyage.

The CHAIRMAN. What is the date of that letter?

Mr. MANN. September 18, 1937 [continuing reading]:

Briefly, the facts of the incident are as follows:

Vessel scheduled to sail at 1 a. m. on arrival and notices so posted. At sailing time some 8 or 10 members of the crew were still on shore including 2 who were being held in jail by the local police for drunkenness and assault. At 1 a. m. with towboat, canal pilot, and dock force all standing by in readiness to sail, the deck force refused to let go the lines until their union brothers returned to the ship. Many of the men in all three departments were intoxicated, and much arguing and brawling was going on about the ship and in the vicinity of the gangways. When being ordered by the master to let go the lines, the crew retorted that they would sail the ship when they felt like it. Orders were then given to clear the after lines by any means possible including cutting them adrift if necessary. The two stern lines were hove aboard by the chief officer assisted by four ordinary seamen whom the balance of the crew had not as yet been able to coerce into refusing. The spring line was cut adrift by the first officer in order to prevent it fouling the propeller. Ship was worked ahead by the towboat and the bow lines cast off and left dragging in the water. We backed clear of the dock and turned around in the harbor and then served notice upon the crew that unless they turned to, a charge of mutiny would be placed against them. It was our intention to, if necessary, tow the vessel out through the breakwater onto the high seas. The assistance of the engineers below, however, made this unnecessary, and we proceeded under our own power.

After the usual discussion among the crew they turned to and prepared the ship for sea, the missing members having been placed on board by canal zone launches. Word had evidently reached them in the "gin mill" where they were hanging out that the ship was backing away from the pier. Thus we added one more disgraceful sailing of an American passenger ship to a list that is far too long already.

We believe that if your commission would, after a fair investigation, suspend or revoke the certificates of such members of the various unions as instigate these affairs and such members as are habitual drunkards, brawlers and users of filthy and obscene language about passenger decks and gangways at sailing time, equally as an officer would be treated under like circumstances, much could be done to curb and improve conditions which are fast becoming intolerable aboard American passenger vessels.

(The letter referred to was marked "Exhibit 8.")

Senator VANDENBERG. What does the Maritime Commission do when it receives a complaint of that sort?

Mr. TRUITT. Under the law, Senator, we had no right to do anything except to receive it. All that Congress said we should do was to fix minimum wage scales, minimum manning scales and reasonable working conditions. To carry out that order the Commission held extensive hearings, assigned a commissioner to hold hearings at the principal ports of the United States, Atlantic, Gulf and Pacific. Following those hearings we had a full commission hearing in Washington and listened to the men and their lawyers and other representatives argue for 2 days on what standards should be set for manning scales, minimum wage scales and reasonable working conditions.

In addition to that, realizing that the ships in a great many instances were old and will be obsolete in the statutory sense of the word within a few years, and the fact of technical advancement which has taken place since these vessels were constructed, the Commission appointed a separate and independent committee made up of experts to investigate each one of those ships to determine what changes should be made in the crew's quarters, and all these other things, to bring about more satisfactory working conditions on board vessels. That committee is reporting daily, and the Commission's orders are going out very frequently as to changes that shall be made on specified vessels.

The legal responsibility for the handling of such things as these letters refer to is in the hands of the Marine Inspection and Navigation Service. They have jurisdiction over things of that character with respect to seamen and officers.

Senator VANDENBERG. You refer complaints of this sort to the Marine Inspection and Navigation Bureau?

Mr. TRUITT. I have no doubt a copy of that complaint went to the Bureau.

The CHAIRMAN. I have in my hand a letter from a Captain whom I happen to know. It is dated at Houston, Tex., October 30, 1937—

Senator VANDENBERG (interposing). May I interrupt you before you start, Mr. Chairman? I should like to have the secretary of the committee inquire of the Marine Inspection and Navigation Bureau whether they ever heard about this complaint, whether they got this letter and what they did with it if they got it.

The CHAIRMAN. We will have a representative here.

Senator VANDENBERG. This is so specific that I think it would be interesting to find out whether there is any system now working in a situation of that kind.

The CHAIRMAN. I will read this short letter from the Captain whom I know [reading]:

No doubt you are familiar with the existing conditions aboard American ships of late. They have now reached such a point where we are unable to discipline the crew in any way. As chief officer of this vessel I cannot but feel ashamed to think that we have to apply to you for support in an attempt to remedy these conditions, but such is the case.

Since it is practically impossible to fire any of the men without the permission of their union, we have to keep the men we have in spite of their disrespectful attitude toward the officers. We have no choice in selecting men. Regardless of the opinion of the officers the men are considered competent since they have a certificate.

In my opinion the men should be compelled to use the discharge books instead of the certificates and in the book there should be a space to comment upon character and ability. I understand Mr. Kennedy of the Maritime Commission is endeavoring to remedy present conditions. Will you please give him your able support.

I have the greatest respect for that man as an officer and as an American.

Here is another letter which came from a sailor [reading]:

The Wagner Labor Relations Act gives labor the right to organize, but the law does not give the union organizer or the members of a union the right to use coercion and intimidation to force men into a union. As an American seaman, I strongly protest against the unlawful tactics of National Maritime Union. I have sailed in ships for 25 years, several years in British and Belgian ships, and for 20 years as engineer on American ships. So I know what I am talking about when I say that the conditions which now are prevalent on our ships would not be tolerated by any other maritime nation, Russia included. On all American ships, where there are members of the N. M. U., meetings are held to discuss union policies, grievances, and new demands. The ship's delegate, one of which is elected from each department, presents the demands to the master of the vessel, just before sailing, under threat of a "sit down" if not granted, so in order not to delay the sailing and incur heavy loss for his owners, the master is compelled to give in.

We happen to have in our record some of the minutes of meetings which have been held. [Continuing reading]:

This way the union has been instrumental in forcing nonunion members off the ships, and in several cases officers too who have shown no sympathy for their communistic activities. On the vessel on which I am sailing now as chief engineer, the ship delegate told me that as soon as the crew was 100 percent union they would force three officers off the ship. The representative of the Marine Engineers Beneficial Association told me personally, that if and when the unlicensed members of the crew are fully organized, they will use them as a lever to force all officers into the union. Even today the right to hire or discharge a member of the crew is taken away from the master of the vessel, by the ship delegate, under threat of sit-down strike. The crew takes the power to fine or discharge a member for drunkenness, or inability to stand watch. It is impossible to discharge a union man today no matter how incompetent, because the man will claim that he is discriminated against on account of union activity, consequently discipline and morale on board suffer, and interfere with the operation and safety of the vessel. I believe every individual has the inalienable right to join or not to join any union, and by such tactics as I have described the N. M. U. has forced thousands of unwilling seamen into the N. M. U. As an American and veteran I protest strongly against such methods used by the N. M. U. and with thousands of other American seamen ask you as chairman of the Senate Committee on Merchant Marine Affairs to propose the necessary laws to stop the N. M. U. from its present tactics. In closing may I also add that the N. M. U. by its unlawful methods has caused great loss to crews in unearned wages, to ship operators in idle ships. But more serious is the loss of good will from the shippers who have supported our American flag vessels patriotically in the past, and if present conditions are permitted to continue will certainly transfer their business to foreign flag ships. Then there won't be any American Merchant Marine worth worrying about.

This letter was written October 23, 1937.

Mr. TRUITT. I might point out, while we have not got them here this morning, we have seen resolutions that the crew adopted on the *Algic* at the time the *Algic* sailed for South America. The crew informed the officers that they were sailing on probation.

Senator GIBSON. Was that resolution in evidence in the Baltimore trial?

Mr. TRUITT. I doubt if it was.

Mr. RING. I doubt if it was, Senator.

Senator GIBSON. Has the jury returned its verdict yet?

Mr. RING. No. They are summing up in their arguments now.

Senator THOMAS of Utah. You mean that the judge ruled the letter out?

Mr. RING. Yes, sir.

The CHAIRMAN. I wrote to this man whose letter I just read and asked him if I might make his letter public, and he replied [reading]:

In response to your letter of October 29th, I am very sorry to inform you that I am forced to decline your request to make my letter of October 23rd public. If the National Maritime Union discovers my identity my job would be jeopardized. I know the methods of the M. N. U. would use to force me off the ship and I am well aware of the power they have at the present time. They might even discriminate against the company which employs me, since the company business is dependent upon the good will of the public to a certain extent. Conditions on the American ships are certainly in a sorry state of affairs when a radical union by its lust for power can coerce men into their organization, and by its impossible demands make it difficult not only for the ships officers but to ship owners also. All officers on this ship look for Congress to do something about it. Surely conditions as they are at present cannot continue—

and so forth.

Mr MANN. Here is a report from the American consul, Havre, France, dated November 20, 1937, Mr. Chairman, in which it is stated that the crew voted a sit-down strike unless the captain opened the slop chest by a certain time. The report says [reading]:

The slop-chest is placed under seal by the French Customs authorities and can only be opened with the authorization of the customs authorities and by customs officials who come on board the vessel to break the seals and supervise the distribution of tobacco, cigarettes, and other articles taken from the slop-chest. Under French customs law the customs authorities have no obligation to authorize the opening of the slop-chest and it is only done as a matter of courtesy.

In the present case application for authorization to open the slop-chest and a request that customs officials be sent on board to break the seals had been made several times by the master of the vessel. The master of the vessel had no means of forcing the customs authorities to come on board and had he opened the slop-chest without the authorization of the customs authorities and the presence of customs officials on board the vessel, would have been liable to a fine amounting to many thousands of dollars.

Fortunately the customs officials appeared early in the afternoon of November 15 and authorized the opening of the slop-chest. However, if these officials had not seen fit to authorize the breaking of seals and opening of the slop-chest, the members of the crew would have declared a sit-down strike for causes which the master of the vessel had no power to remedy. It may be remarked that the demands from the slop-chest were confined to cigarettes and tobacco which could have been purchased ashore and included no necessities.

There is a resolution of the crew attached. It says [reading:]

Reason for meeting: To set a dead line as to when captain will be able to open slop chest.

Motion made that steward order sufficient amount of fresh milk while in port. Carried.

Motion made and seconded that the crew set a deadline at ten o'clock a. m. November 15, 1937, for opening slop chest. Carried.

The crew to sit down after 10 a. m. November 15, 1937, upon failure of captain to open slop chest.

(The report referred to was marked "Exhibit 9.")

The CHAIRMAN. There is a well authenticated case that happened in San Francisco where a ship was to sail from. The captain lived in San Francisco. He went home because he had some work to do, and several big, stout fellows visited his house one evening and went in and told the captain's wife, "You have a beautiful home here. Your husband looks healthy. He ought to live for years, but he might not live 2 weeks." That frightened her pretty nearly to death. They said to the captain, "You never joined the union?" He said, "No." "Well, you are going to join it now."

They took the captain down and made him a member of the union, and then put him on the picket on his own ship. The captain of the

picket line was a steward, and the steward in due time said, "Go down and get some wood and build a fire; it is cold here." And they forced this captain to act as picket on shore.

I suppose we have nothing to do with that if they want to act like that on shore. But apparently that is the way they act on board ship, too.

Mr. TRUITT. Here are 3 pages of minutes which were turned over to the Maritime Commission by one of our agents which report meetings of the crew of the *S. S. Vincent* at sea on August 8, 1937 [handing document to Mr. Mann].

Mr. MANN (reading):

Joint meeting all departments called to order at 1:00 p. m., 26 men present. Hogan, black-gang delegate, elected chairman.

The CHAIRMAN. The "black-gang" are the men in the engine room, the firemen.

Mr. MANN (continuing reading):

Moved, seconded, and carried that anyone disparaging the Union or attempting to sabotage union objectives be recommended for disciplinary action by the union and that his book be taken up by shore delegate on return to New York.

Discussion regarding time off in port; then moved, seconded, and carried that the three ships delegates discuss with captain question of all hands being given 24 consecutive hours off in Le Havre and Dunkirk.

Discussion regarding crews messroom and quarters, and desirability of obtaining at least one more messboy. Moved, seconded, and carried that deck delegate see first assistant about having some member of black gang take engine room soundings which now are being taken by deck department.

Moved, seconded, and carried that crew back up steward if difficulty is encountered in securing milk, fresh vegetables, and incidentals in France. Deck, engine, and stewards department delegates to go over and approve, and if necessary add to Stewards requisition, and to indicate their final approval of such requisition by signing it.

Moved, seconded, and carried that coffee percolators be ordered for both deck and black gang, and that sufficient coffee, milk, and sugar be supplied to night watches.

Discussion regarding oiling winches while winches are running.

Moved, seconded, and carried that all crews quarters and toilets and messrooms be cleaned, chipped, and painted as soon as possible.

The next is [reading]:

Joint meeting all departments called to order at 6:00 p. m. Twenty-six members present. E. Baker elected chairman. Minutes previous meeting read and approved. Deck delegate reports overtime O. K.; stewards stores inspected at Havre and Dunkirk and found satisfactory; some lack of cooperation in arranging day off in Dunkirk.

Stewards department delegate reports much trouble about overtime and friction between stewards department and captain.

Engineroom delegate states questions of overtime and time off being handled satisfactorily.

Moved, seconded, and carried that if any member of crew is discharged upon arrival at New York, master or proper department head be asked to state to union delegate his reason for such discharge.

Discussion regarding stewards department overtime, and general attitude of master towards stewards department.

Moved, seconded, and carried that all departments refuse to accept their money in New York until question of stewards overtime has been satisfactorily adjusted.

Discussion regarding delay in pay-off on previous voyages. Moved, seconded, and carried that if ship is held over until Friday, and money paid too late to allow a night ashore after pay-off, then action be taken to secure one night in port after pay-off. Amended to read "that if union delegate, backed by union headquarters, advises against such action, then no action be taken."

Heated discussion regarding improvements asked for, and promised by steamship company, but not made. Moved, seconded, and carried that crew refuse to

take ship out of New York for France (on return ex-coast) unless at least 75% of the following improvements and repairs are made: (1) Steampipe to be removed from showers aft; (2) separate lines for hot and cold water in showers aft; (3) drinking water fountain; (4) coffee percolator; (5) lockers with locks for forecabin; bunk lights; (5) another toaster; (6) quarters painted; (7) drinking water aft; (8) pan rack for galley; (9) table for cooks room; (10) table for recreation room; (11) radiator for boatswain's room; (12) larger messroom; (12) another messboy.

Moved, seconded, and carried that a larger messroom and another messboy be secured in New York.

Discussion regarding dividing gangway watches on coastwise trip among all members of deck force so that everyone who desires may have a chance at overtime.

Moved, seconded, and carried that departmental meetings be held weekly and joint meetings be held twice each trip.

Discussion regarding cleaning and maintenance of crews quarters, which in general has been unsatisfactory.

Discussion and explanation of Social Security Act.

Moved, seconded, and carried that a letter, endorsing Social Security Act, and urging its extension to marine workers, be drawn up and offered to all members of crew for signature and then forwarded to N. M. U. headquarters.

Moved, seconded and carried to adjourn at 9:10 p. m.

Signed: C. W. FAUST, *Redg. Sect.*
H. BAKER, *Chairman.*

(The copy of minutes referred to was marked "Exhibit 10.")

Senator THOMAS of Utah. How large a crew is on that ship?

Mr. RING. Twenty-six is about the unlicensed complement; 37, including licensed officers and chief steward.

Mr. MANN. Here is a letter from a passenger [reading]:

A fellow passenger complained about his coffee being cold. The waiter patted him on the shoulder and said, "Pal, no use complaining about this coffee to the steward, the unions are running this ship."

There were some seasick passengers after leaving———and the decks were not washed for two days.

It took us forty minutes to be served two bottles of gingerale we had ordered one evening in the tropics and when it was served it was without ice. In fact, there was no service at all in spite of the fact that I tipped far more liberally than the average passenger.

I frequently saw members of the crew sitting and smoking in deck chairs of the passengers.

I could go on mentioning many instances showing lack of discipline, etc., on American ships and I thought you would be interested in knowing this. I am associated with metallurgical engineers and have nothing to do either directly or indirectly with the shipping industry. My sole interest is in acquainting the proper authorities with the situation existing today on the American ships, as a result of my own personal experience. Until there is a change in conditions I will never travel on an American ship if I can possibly avoid doing so.

(The letter referred to was marked "Exhibit 11.")

Senator VANDENBERG. These foreign lines are pretty generally unionized as much as ours. What is the reason for the difference in union discipline?

Mr. RING. The whole story is the short-sighted policy, as I see it, by the shore management of our lines above their officers or their masters in their authority over crews. Second, a speedy redress, as far as foreign lines are concerned, for any breach of discipline complained of by masters or officers.

Senator VANDENBERG. In other words, you bring the responsibility back to shore and put it on the employer?

Mr. RING. Yes, sir. If you will notice, Senator, practically everything that has been said here will simmer right down to discipline and its maintenance. Discipline and its maintenance is the duty of the master, who is the government aboard ship. If the shore manage-

ment is to permit a crew to sit down and tell the management that "we will accept certain officers to give us our orders and we will refuse to take them from other officers," and if that shore management says, "Yes; we give in," where has your discipline gone? It is out the window.

The crew sails and an officer gives an order. The crew says, "We don't think that is quite proper. We think that may be a wrong order."

"Oh, no," the officer will say. "Get out there and do that work."

Then the deck delegate or the engineroom delegate may very easily say to the officer, "Don't you remember what happened on the third of May to Charlie Jones when we voted him off the ship? You better move softly, or you will not have any job any more."

That officer, knowing what his duties are and desiring to perform them, says, "What backing up do I get? The operator says to run these ships under any conditions. I am afraid I will not get sufficient backing up on shore. I have instructions to keep these ships running, and I had better give in."

So, to save a few dollars, as far as the ship being tied up is concerned, there has been a permissive grant by shore management to lower the authority of government at sea. That is the result. Discipline has gone by the board. That is the answer, in my opinion. Maybe I am wrong about it, but that is the secret of our troubles right now.

Senator WHITE. What is the operator going to do when we have cases that are in fact mutiny at sea, and the Government will not proceed to prosecute?

Mr. RING. The operator himself must initiate the prosecution, Senator. The operator himself in many instances is too timid and too afraid to get going on it because he is going to lose a little bit of "dough." That is your answer.

Senator WHITE. What has brought about that condition among the operators?

Mr. RING. It would take me some time to explain it. I would be very glad to go into it if you wish.

Senator WHITE. You would assume that the operators of these ships wanted them efficiently operated; that they wanted discipline; that they wanted to please the public. Now, if that is so, why do they not take steps to secure those results? There is some coercion of some kind, of course, being brought to bear on the operators, because they do not do the obvious thing. Now, why don't they?

Mr. RING. They do not do it because they feel that a crew at the present time has more power than they have, that they can tie the ship up.

Senator WHITE. Who is to blame for that?

Mr. RING. I think the blame should fall on the people who have failed to realize that the maintenance of authority at sea is the basic thing, rather than the extent to which an operator will go to fight such a threat at the maintenance of such authority.

Senator WHITE. Do you think it goes back to Congress because we have not defined offenses at sea as they should be defined, and provided penalties that are adequate to such offenses?

Mr. RING. No, sir.

Mr. TRUITT. Congress has defined offenses at sea. I figured up the other day that there are some hundred or more individual statutes that relate to seamen alone.

Senator WHITE. The statute books are full of provisions with respect to these situations, I suppose; but there is not any enforcement of the law. Where is the trouble?

Mr. RING. It is failure to utilize what has been given for enforcement.

Senator WHITE. Is it the fault of operators, or is it the fault of the responsible legal authorities of the Government?

Senator GIBSON. Probably both.

Senator WHITE. We are told that cases are brought to the attention of Departments here in Washington and that Departments in Washington, instead of acting, devote their time and their energies to finding excuses or apologies for what is going on.

Mr. RING. I have heard of exactly such instances as you speak of, sir.

Senator WHITE. Of course, if prosecuting officers will not move, the situation is hopeless.

Senator GIBSON. Is there any codification of the laws as to offenses at sea?

Mr. TRUITT. Yes, Senator. The Bureau has published a book, I should say, three-quarters of an inch thick, that has to do with that.

Senator WHITE. You will find it all in that little red book of the Bureau of Navigation.

Mr. RING. There is a rather cumbersome way of enforcing or administering the law now. The certificate that a seaman has is a very precious right to him. It is his right to a livelihood. When a board of the Department of Commerce sits to see whether an offense is of sufficient gravity to cause a revocation of a man's certificate, final action is not then and there taken. They conduct a hearing, and after that hearing is conducted the man has an appeal, and it is required that it be sent on to Washington where the case can be reviewed by the Director of the Bureau of Marine Inspection and Navigation. After that review is made, the man has still an appeal to the Secretary of Commerce. For quick action there is nothing provided. It may be 2 months before final action is taken.

The reason you take action is to show an example to other people as to what is actually, certainly, surely going to happen to them if they do wrong. But yet it drags along to such an extent that the effect of an immediate correction is lost.

Senator WHITE. For many years we have been issuing a certificate as an able seaman to anybody who had served 18 months on deck at sea. There has been no inquiry as to the qualifications or character of that seaman. Are we lax in that respect?

Mr. RING. The 18 months is subject to some examination, sir. I think that whole subject of qualifying seamen and officers is subject to very careful study. We have been very lax in that.

Senator WHITE. And yet whenever there has been a suggestion that there should be any requirement of proof of qualifications before the issuance of an able seaman's certificate, we are met with an avalanche of protests that have up to now been persuasive. I have sailed a good deal, first and last, and I have seen hundreds of fellows on board ship that do not know anything about their work. I could take a green man and take him up on the Maine coast and put him in a cat-boat, and in 3 weeks time I or anybody who has ever been at sea could teach him more than some of these fellows with able seaman's

certificates know about ships. It is an utterly preposterous situation that we have. But we have never been able to do anything about it.

Mr. RING. That is why we feel that the Maritime Commission ought to insist on having competent men before they go on board a vessel.

Senator WHITE. There is a sharp distinction to be drawn between proof of mental and physical qualifications and the conduct of people who go on board ship and whose acts come pretty near to being mutiny and utterly subversive of all discipline. The situation as it is today is just utterly impossible. I think all of us know enough about the situation to know that we have either got to throw up our hands and quit absolutely in any effort to have a merchant marine, or this situation has got to be dealt with drastically and immediately.

The CHAIRMAN. Senator White and I have worked for a dozen years shoulder to shoulder on this matter, and I think perhaps I have borne the brunt and danger of physical attack more than he has. I am convinced that there is no use in the United States Government appropriating and spending money for the building and operation of ships unless this matter of labor can be adjusted, unless we can have good seamen. Old Andrew Furuseth always said that you can put a good crew on a bad ship and make it sail, but you cannot put a bad crew on a good ship and do anything with it. It all depends on the crew.

Senator GIBSON. Is it not true that England handles the situation through the vigilance of its admiralty courts?

Mr. RING. Yes; and through a speedy and immediate and summary redress for infractions and through, most of all, the maintenance of the authority of her licensed personnel on ship. That goes right back to discipline at sea.

Senator WHITE. There is a serious question as to whether you are going to stand for a closed shop at sea.

Mr. TRUITT. I think practically all the operators would welcome that.

Senator GIBSON. The closed shop?

Mr. TRUITT. Yes, sir; the closed shop.

Senator WHITE. You have today, as a practical proposition, the closed shop at sea.

Mr. RING. It is with about 80 percent of the lines. There are some feeble efforts being made to maintain it otherwise.

The CHAIRMAN. Will you give our compliments to Mr. Kennedy and thank him for sending his able staff up here? And I venture to say that we will want you again. Thank you very much.

(Whereupon, at 12:05 p. m., the meeting adjourned subject to the call of the chairman.)

(Other exhibits brought by the Maritime Commission follows:)

EXHIBIT 12

QUOTATIONS FROM LETTER OF A SHIP'S MASTER ADDRESSED TO MR. KENNEDY, DATED OCTOBER 30, 1937.

For the past few months conditions aboard this vessel are such that neither the officers or myself as master can assert any authority or discipline the crews in any way. And since things are going from bad to worse with no remedy in sight, we feel that you should know of these conditions.

We have met with the most unreasonable demands from the men. We have had sit-down strikes, when docking the crew have refused to handle lines from

towboats assisting in docking, because crews of towboats were not connected with C. I. O. Instances where the ship has been delayed sailing while the men "had another drink before the ship pulled out." Numerous incidents where the officers have been humiliated by the disrespectful and insulting attitude of the men.

Attempts to punish the men by logging are useless. In one instance where I logged the men, the log was called off after an interview with the union delegate, who informed me (very guardedly) that the ship would be held up unless I cancelled the logging. We have practically no authority to fire or hire a man and we have to take any man that is sent from the union hall.

Because my officers, all men with years of service in this company, are members of the United Licensed Officers Association, they are repeatedly being requested to join the Masters, Mates & Pilots and the Marine Engineers Beneficial Association, organizations that are in sympathy with C. I. O. As all the deck and engineer officers are married men with families they are actually afraid of the men fearing that, as the men have often intimated, that they will make them join the M. M. P. and M. E. B. Association, or be put out of a job.

As a shipmaster for the past 14 years and on behalf of my officers we take the opportunity to acquaint you with existing conditions and earnestly hope that you be supported in endeavouring to remedy these conditions.

EXHIBIT 13

QUOTATIONS FROM LETTER OF LADY PASSENGER ADDRESSED TO MR. KENNEDY; DATED OCTOBER 25, 1937

I really think the lack of supervision by officers and crew on our return from Liverpool to the ship was scandalous, as well as lack of discipline and many other discomforts on the return to New York.

* * * * *

Then that fat deck steward should never have been on a ship. If one wanted him and called him, he would stand right by and not let on he heard. The day we were landing tea was served—two lines were formed, but he would only give the tea to the people on one line. I waited and waited, and learned that he would not serve only to one side—though at times there were no more than 4 to 6 people standing there. I heard a man say "I have been standing here for some time; I would like to have some tea" and the steward's reply was "Get on the other side."

* * * * *

In 1928 my husband and I travelled on your line and I said then that I would never put my foot on a ship of the United States Line, but I did I am sorry to say, I did as I wished to return home sooner.

The service of your ships and conduct of your people, I mean officers as well who were around the tender, is most deplorable and a disgrace. I have travelled on many ships but never found anything so terrible as on your line.

EXHIBIT 14

(NOTE.—Exhibit 14 (a consular report) is not printed as the identical document has been submitted by the State Department.)

EXHIBIT 15

QUOTATIONS FROM LETTER OF UNITED STATES NAVY OFFICER ADDRESSED TO MR. KENNEDY DATED JULY 16, 1937

During my last tour of duty in the Orient, I became very much interested in our merchant marine. There excellent opportunities presented themselves of comparing U. S. merchant vessels with their principal foreign competitors. In many cases, I am sorry to say, such comparisons did not redound to our credit either as to ships or attitude of personnel.

* * * * *

Officers' orders are flouted, frequently they are insulted, and sometimes they are struck, by belligerent members of the crew. Intoxication during working hours

by the crew is only too frequently an occurrence. Foul and obscene language is used within the hearing of the passengers. Surly and poorly trained waiters and stewards increase further the unhappy lot of passengers. The inability of shipping companies to guarantee delivery on schedule, combined with conditions described above, is driving American trade, both freight and passenger, to foreign bottoms.

Doubtlessly you read only too many reports setting forth conditions similar to the above. But I am writing because I realize from personal interviews how low the officers' morale is getting because of the humiliations which they are forced to undergo. Many officers have told me that they would resign in a minute if they could get a job ashore. What it all amounts to is this. No matter how many new ships are added to our merchant marine, it cannot operate at a profit, even with the help of a subsidy, until its patrons, both those who ship cargo or take passage on these ships, are satisfied. Many of both classes are not satisfied today and are giving their trade to our foreign competitors. The self-evident and mandatory remedy is, despite existing strike agreements, to so change the navigation laws which govern the operation of the merchant marine, that the officers have authority commensurate with their responsibility. Until this admittedly difficult task is accomplished no real progress into healthy growth of our merchant marine is visible.

EXHIBIT 16

QUOTATION FROM REPORT OF CONSUL GENERAL, NAPLES, ITALY, DATED AUGUST 4, 1937

I have the honor to report that the following incident occurred on board the S. S. *Excalibur*, of the American Export Lines, while in the harbor of Naples, during August 1st and 2nd.

A seaman on board the S. S. *Excalibur*, named ———, possessing certificate of service No. E12393, issued May 6, 1937, and temporary seaman's certificate of identification No. Z 7937, assaulted an Italian carabinieri on the dock at the gangplank leading to the vessel. ——— was armed with a knife and the carabinieri was obliged to shoot in the air in an effort to discourage his assailant. After the shot, the seaman dropped the knife and took refuge on board the vessel.

The seaman's grievance against the carabinieri is understood to have been caused by the latter's removal from the ship of an Italian friend of ——— who was on board without a permit as required under Italian port regulations.

The next day, at the request of the Italian authorities and with the consent of the captain of the vessel, ——— was taken into custody by the police, and his case is now awaiting trial.

Just prior to sailing, a large meeting was held by the crew to decide whether a sit-down strike would be held in the port of Naples, to demand the return of ——— to the vessel. Incidentally, ——— was the union delegate on board the vessel.

The majority of the crew voted at the last moment not to hold the sit-down strike, and raised the sum of \$81, which was turned over to a representative of the consulate general to be given to ——— for use to defray the legal expenses for his defense.

After the general meeting of the crew to discuss the sit-down strike, there was another altercation, and seven intoxicated seamen were left on the dock. These men were sent by train the next day to Genoa, where they rejoined the vessel.

* * * * *

EXHIBIT 17

QUOTATIONS FROM LETTER OF A PROSPECTIVE PASSENGER, ADDRESSED TO MR. KENNEDY, RECEIVED NOVEMBER 4, 1937

I have always felt that it would be unpatriotic to sail on anything but a good American ship and have had some sharp arguments with friends who have gone abroad on foreign ships. I had planned of course, on going on our trip on an American ship.

Recently a friend of ours returned from a trip to South America on an American ship. The experiences of our friends, the insults they had to put up with, the discourtesies and lack of discipline they experienced which they will never forget has so frightened my wife that I am now going to find it hard to get her abroad even on a well disciplined foreign ship.

Then too, we have both read of some of the experiences of others in the newspapers and weeklies. The *Algie* incident might be overlooked but one cannot overlook brazen insults to ones womenfolk.

* * * * *

I am as anxious as you are or anyone else can be to see our country build a large and efficient merchant marine because we need it for national defense. I want to patronize our Merchant Marine but I am afraid to because if anyone were to insult my wife as other men's wives have been insulted, I am afraid of what I might do to such morons.

Things have come to a pretty pass when a man is afraid to do his patriotic duty, Mr. Kennedy, and I feel it is my duty to sail an American ship.

I am not a crank nor am I a letter writer. I have never before in my life protested to anything and this is the first letter I have ever written to anyone in the nature of a protest. I do not expect an answer from you because I imagine you have other things to do besides answering critics letters.

I do believe however, that you are trying to get the deplorable conditions in our Merchant Marine corrected and I want you to know that I am for you 100% but how about putting U. S. Marines on our ships for awhile to let these communistic morons parading as organized sailors know just who is running American ships?

Yours is the most serious and important job in our Government today in my opinion. I wish you every success.

EXHIBIT 18

QUOTATION FROM REPORT OF MASTER OF A GOVERNMENT-OWNED SHIP TO THE MARITIME COMMISSION, DATED SEPTEMBER 13, 1937

At 5:00 p. m. of August 30th while laying at the above mentioned dock (Bordeaux) the delegate for the deck department came to me and requested a day off for the whole unlicensed personnel in the deck department.

I asked him the reason for this request. He then informed me that as the ship had not arrived in Bordeaux on Saturday as they had planned, but had docked on Sunday morning, thereby depriving them of their full week end in port, they demanded a full day off.

I informed him that their request was unreasonable, as the holds had to be cleaned the following day in order to receive outward cargo. I also informed him that the ship was moving at 10:00 p. m., at high water to our loading berth and that all hands must be on board at that time. This order was also given by the chief officer.

The delegate then informed the chief officer that they would take their time off.

After waiting until 11:00 p. m. and as not one member of the fore-castle crew had returned on board, I decided to move the ship with the four deck officers and bos'un, thereby saving twelve hours delay for the ship. This was done successfully and the ship was made fast in her berth at 1:00 a. m.

This was a deliberate plot on the part of the crew to delay the ship twelve hours because an unreasonable request was not granted.

EXHIBIT 19

QUOTATION FROM REPORT OF CONSUL GENERAL, NAPLES, ITALY, DATED AUGUST 28, 1937

I have the honor to inform the Department that on the morning of Tuesday August 24, 1937, I received a call from the director (Cav. Nuzzolesi) of the foreign section of the questura (police department) of Genoa who asked me to read an urgent telegram just received from Naples. A copy of a translation of this telegram is enclosed herewith.

When I had read the telegram he told me that the chief of police and other officials at Naples and Genoa took a very serious view of what had occurred when the S. S. *President Adams* was in Naples on Monday and that some consideration had been given to the idea of closing the port of Genoa to the ship, but that they had decided merely to forbid the landing of any of the crew at this port.

He did not know who the men were who had caused the trouble at Naples and although he had carried out an investigation during the day directly and through his officers, he did not find out which men had used the filthy language and had insulted the Italian Government. He was willing to do anything in his power to help and if he knew the men he would throw them in the brig but he did not know them. Eleven of the men, he said, had remained at Naples, apparently too drunk to get on board but he did not think them permanent deserters. They did turn up next day.

I did my best to impress the captain and officers with the seriousness of what had taken place, at least with the fact that the Italian officials took the thing seriously. The captain's reply was that the seamen's unions made it impossible for him to have things as they should be on board his ship and that he was entirely helpless in the matter. He offered to let me speak with the "delegate" but I refused.

Cav. Nuzzolesi thanked me on behalf of the questura for the action taken by the consulate general and the good results obtained. He did not, however, fail to make a remark or two which I thought fully justified and one of which I will quote as I think it pertinent—"It seems to me that your Government makes a mistake in allowing American citizens to travel on ships where there is no discipline, for in time of peril such ships would be very dangerous."

"I went on board the S. S. *President Adams* of the Dollar Line at approximately 8 p. m. with Consul General Wilson and Mr. Moss. The chief officer who was standing on deck put us in the hands of a steward to take us up to the captain's cabin. The steward took us as far as the companionway and attempted to turn us over to a Chinese cabin boy. The cabin boy refused to have anything to do with us and told the steward to 'go to hell—why can't you take the consul up.'"

All the officers, apparently, were in a state of rebellion against existing conditions but were afraid to speak. It was apparent that while the captain was pretending to be helpful to the consul general, he had actually already arranged that little testimony of any kind should be given. He was strong enough in his denunciation of the unions and said that he had filled a log book with complaints but that the authorities in San Francisco and New York paid no attention to them.

The important and undeniable fact is that the crews of many American ships, particularly those sailing in eastern waters, are being stampeded and bullied by paid agitators and that the result may be little short of disastrous for the American merchant marine.

The travelling public is beginning to talk about the scandal of these undisciplined American ships and of the unethical familiarity of the crews and officers, with resulting lack of discipline. I do not believe we can permit such conditions to continue if, in accordance with the President's program, we are about to build up our merchant marine on a large scale. I am departing a little from the essentials in this despatch in the hope that its contents may be shown to Government offices concerned with the merchant marine.

EXHIBIT 20

QUOTATIONS FROM AFFIDAVIT OF SEAMAN, DATED JULY 20, 1937

I, _____, quartermaster on steamer "_____" was under great persecution by the crew and delegates of the National Maritime Union, with threats against my life and my livelihood under the American flag.

In Houston, _____, A. B., a member of the I. S. U., was brought up before the mob on the deck and asked to join the National Maritime Union. _____ said to them, "I will die for the I. S. U. rather than join your union." With that, the delegates and members of the National Maritime Union voted him off the ship.

_____, A. B., ex-U. S. Navy man, was bothered most of the trip to join the National Maritime Union. In Baltimore he refused to have anything to do with them. With that, he had to leave the ship in Baltimore _____, engine room, was also compelled to leave the ship in Baltimore because of being an I. S. U. man.

EXHIBIT 21

QUOTATIONS FROM LETTER OF A PASSENGER ADDRESSED TO PRESIDENT ROOSEVELT
DATED AUGUST 25, 1937

* * * * *

The crew had their fling, and (2) in particular were taken into custody. They succeeded in breaking loose, ran for the end of the pier, jumped overboard, and swam for the ship; they began to fag, when an Italian manned rowboat, tried to assist them, while they were along side the ship. The crew at the rail pelted the rowboat with chairs, iron, and anything they could lay their hands on. The rowboat left them cold, the crew hoisted the two aboard, * * *. Meanwhile the ship was about 100 yards from shore, and naturally the pier was crowded with onlookers. When the most disgusting thing occurred, about (12) of the crew started yelling (Fun Goul) _____ Booh. Captain _____ is master of the ship.

Desertions at Naples (7).

Previous to this event, a drunken rowdy, deliberately throws a live monkey overboard, this while at sea.

Between 12-1 p. m., on the 24th August, on the lower promenade deck, passenger's quarters, two of the crew fought it out, swearing like troopers, and rough and tumbling each other for one hour.

At sea about the 22nd of August one of the crew attempted to throw a Chinaman overboard.

One of the petty officers, who is a member of the union, expressed his disgust to me, stating:

"They know that they have a power behind them, and they are taking every advantage of it."

* * * * *

Under present conditions the merchant marine is a disgrace to the U. S.

EXHIBIT 22

QUOTATIONS FROM A CONFIDENTIAL REPORT TO A UNITED STATES GOVERNMENT
DEPARTMENT MADE BY A RESPONSIBLE GOVERNMENT OFFICIAL, DATED
OCTOBER 26, 1937.

* * * * *

(c) Dining room stewards, bell-boys, and, in general, the majority of the crew with whom the passengers came in contact were entirely untrained for service at sea and were poorly trained for any service. One exception was the deck steward. Two of three deck stewards were confined during the entire time I was on board and the remaining steward, under adverse conditions was, while doing three men's work, extremely courteous, capable, and obliging.

* * * * *

4. Discipline on board is almost an unknown quantity. The crew stand their watches and are required to do a minimum of cleaning and upkeep. Their own living compartments do not appear to have been cleaned for years. Apparently little effort is made to enforce any of the crew to accomplish any task which is at all disagreeable. The attitude of the officers is that the company has no regard for them, will not back them up in any way and therefore they have no loyalty to the company and seek to get along with as little trouble as possible. The crew have no respect whatever for the officers. I was told of an officer who, in quelling a riot on board, was * * *. The officers naturally hesitate to do anything which may offend the labor unions, particularly as they feel that the Company will not back them up and their jobs would be forfeit. In every respect the conditions on board appeared to me to constitute a real menace to the continued successful operation of the merchant marine of the United States.

EXHIBIT 23

QUOTATIONS FROM LETTER OF AMERICAN PASSENGER TRAVELING ON A BRITISH SHIP, ADDRESSED TO PRESIDENT ROOSEVELT, DATED AUGUST 4, 1937

* * * * *

I have been traveling a greater part of the time for four years last past, and, being an American of the tenth generation I have felt it my patriotic duty to use American ships as far as possible as a slight help in keeping our flag at sea.

* * * * *

The whites on our lines are now *dominated by labor unions* and labor bosses to such an extent that apparently the ships officers do not dare to make them mind as they should.

I think that the law should be so changed that our ships officers could discipline and discharge any sailor or employee who is guilty of sabotage or not performing his duties as he should.

* * * * *

It has gotten to the point where ships officers *don't dare to be around* when the agitators are coming and sabotage is being carried on.

* * * * *

EXHIBIT 24

QUOTATIONS FROM LETTER OF A SEAMAN ADDRESSED TO MR. KENNEDY, DATED NOVEMBER 2, 1937

* * * * *

The crews on ships nowadays are very radical and if the members are not radical the radicals begin to cast suspicion on those who go ahead and do their work and are promoted as soon as there is a vacancy. The men who are not radicals are classed as company men by the radicals and are under suspicion as stool pigeons.

* * * * *

I find that the best men in the unlicensed personnel are quitting the sea and seeking jobs on shore. These men cannot put up with the radicals' dictatorial power. The radicals complain about everything. Even the ice cream is too cold—or their complaints are equally as bad as above statement.

* * * * *

The captain, chief mate, chief steward, or chief engineer *has to accept* whoever is sent to the job even though the man might be known to the officers as a radical, a drinker, or one who cannot perform his duties.

* * * * *

The men have no self respect and parade around deck half naked, drunk, and swearing, and if an officer corrects them, they tell the officer where to *get off*.

* * * * *

If something is not done soon, our merchant marine will be run by a *bunch of drunken hoodlums* and radicals. The Communists are in *control now*, and things are getting worse.

Hoping you will do something to get these radicals off of ships, and do away with the union hiring hall

* * * * *

EXHIBIT 25

QUOTATIONS FROM LETTER OF A PASSENGER ADDRESSED TO MR. KENNEDY, DATED OCTOBER 25, 1937

Oct. 30/37.

Since 1927 my family, including myself, have annually sailed either to Europe, on foreign vessels, or to California on American vessels, the Dollar or Panama Pacific lines.

Conditions on the American lines are steadily becoming worse, so much so, that we will not again patronize an American boat.

I do not profess to know where the blame lies. Insubordination among the personnel on the Panama Pacific lines this year was so marked, as to draw condemnation from many passengers.

A laborer is worthy of his hire, but should not be permitted to make passengers suffer because of differences with his employer.

EXHIBIT 26

QUOTATIONS FROM LETTER OF A SHIP'S OFFICER ADDRESSED TO MR. KENNEDY,
DATED OCTOBER 26, 1937

It has been with a great deal of interest that I have followed your splendid efforts to make life aboard ship a little more pleasant for everyone concerned thereon, also your disposition of the case of the *S. S. Algic*.

I would like however to present this to you as a witness to some of your statements as to the lack of discipline on board some ships coupled with the disgraceful conduct by some seaman as well as some of the officers. In my sea experience I have seen a lot of bad conduct so will confine myself to a few highlights.

The general attitude was simply that we won the strike and that now we shall run the ship. In ———, the "bosun" got drunk—trumped up an excuse for trouble, walked off the ship with the sailors and threatened the rest of us with trouble if we did not get off also. All of this because the captain fired the first mate. The ship was tied up from two in the afternoon until ten at night. All of this time the Captain was out on the dock *begging* the "bosun" to let the men take the ship to ——— where he could straighten the matter out. The matter was finally settled by the skipper promising to hire the mate back and giving everyone a five dollar per month raise.

I realize that we spend a great deal of our time at sea and that a little leeway can be and should be tolerated but at the same time there is a limit to all things. The unions rather than try to raise the standards and rid itself of the habitual trouble makers only seem to encourage them such as they seem to be doing in the case of the *Algic*. When things get to the point where the petty grievances of one man can tie up a ten thousand ton liner it is about time there was a halt called and some authority taken.

The only answer seems to be the Old United States Shipping Board and I for one hope that the day is not far off when such will be the case. After talking with a lot of fellow seamen like myself, fellows with good educations and well mannered, we feel that at times we are not proud of the fact, that we are supposed to be officers on ships flying the American flag after watching some of our brothers perform.

In view of that fact I know I am not only speaking for myself but thousands of other fellows that if we knew anything else we would quit going to sea rather than fight drunks and trouble makers to earn a living.

EXHIBIT 27

QUOTATION FROM LETTER OF A SEAMAN ADDRESSED TO MR. KENNEDY DATED
NOVEMBER 11, 1937

You would be surprised to know how many real American seamen are at heart with your policy as presented to Congress. New York harbors thousands of experienced men who can't get a job just because they don't belong to a union or have a low number there. Men that never went to sea or one-trippers and bums are shipped out, hence so many complaints.

EXHIBIT 28

QUOTATION FROM LETTER OF A TRAVELER, ADDRESSED TO THE MARITIME COM-
MISSION DATED OCTOBER 2, 1937

I understand that you are going to build a newer and better merchant marine. Don't make us experienced travelers die of laughter. A marine consists not only of ships but also of men. You can build the finest ships in the world, but if you have only a lot of unreliable, insubordinate dogs to man them you have just nothing. Today the crews of many—probably of most—American flagships are drunken, undisciplined mobs.

EXHIBIT 29

QUOTATION FROM LETTER OF A SEAMAN, DATED NOVEMBER 2, 1937

* * * * *

Several members of the C. I. O. broke into the paint locker, stole a few gallons of paint, and sold it in ———. Also urinated on dishes which we were expected to eat from. A few gallons of oil was also spilled and wasted. The fresh-water supply was cut off at various times, being forced to make drinking water from the salt water. Meat and cigarettes were sold in foreign ports that were supposed to be for the crew. Therefore we didn't have a cigarette coming home.

* * * * *

EXHIBIT 30

QUOTATION FROM LETTER OF A RADIO OPERATOR ADDRESSED TO MR. KENNEDY, DATED SEPTEMBER 2, 1937

* * * * *

Though you may be successful in having laws passed prohibiting "quickies" and "sit-downs," you can rest assured that the radical elements now in control of the National Maritime Union and the American Communications Association will find other ways, either legal or illegal, for keeping the merchant marine in a constant state of turmoil. As you know, the ultimate aim of radicals now in control is the welding together of all seamen into a solid group, under the absolute control of the Communist Party.

If you could give the time to a complete study of—what started the unrest of seamen—who is behind it and what it is leading up to, you will find that the basic reason for the turmoil now prevalent in the merchant marine is, absolute control of transportation. You will find that this control is almost an accomplished fact. You will find that practically the same methods are being used to obtain control of communications, not only on ships, but also telegraph, cable, telephone, and broadcast. You will find that with but few exceptions the officials of marine and communication unions are members of the Communist Party, all sworn to exert their every effort to overthrow our existing form of Government, setting up in its place a Soviet State of America.

Once transportation and communications come under full control of the Communist Party, a condition will exist which in all likelihood will be the first decisive step towards a soviet state. You may smile at this statement, but it nevertheless is the exact plan that has been laid down by the "party" and you will have to admit that it is having a pretty fair measure of success and if not stopped soon will go on to complete success.

As one of the officials participating in the 1936-37 marine strike, I was in a position to learn of these things. On threatening to expose the whole rotten mess, I had the pleasure of having a gun pushed into my belly and told to get out of town "or else."

EXHIBIT 31

SEPTEMBER 30, 1937.

Prior to the organization of the National Maritime Union the ——— Steamship Corporation on its own account had spent approximately \$1,000 per vessel for each of the 14 Hog Island vessels to improve the crew quarters. Under this arrangement, there was a maximum of three men in a room and most of the rooms call for two men.

Subsequent to the organization of the union, there have been many other demands which have necessitated substantial expenditures by the corporation. These have involved expenditures for equipment and supplies and also additional amounts in overtime.

Attached herewith is list of some of the demands made by the National Maritime Union.

LIST OF DEMANDS BY THE NATIONAL MARITIME UNION

1. All white linen for firemen, ordinary seamen, and able seamen, \$4,268.
2. Additional and larger fans, \$1,783.
3. Electric ice boxes in crews' messrooms on freight vessels, \$1,658.

4. Coffee percolators instead of coffee urns, \$67.
5. Demands for awnings on the freight vessels over poop deck, which necessitated an expenditure of approximately, per vessel, \$600.
6. Steel lockers on freight vessels, \$1,791.
7. Port screens and wind chutes for all ports, \$996.
8. Ice-water cooler in messrooms, \$62.
9. Demand for free prophylactics.
10. New toilet seats, every voyage, costing approximately, per seat, \$4.
11. New mattresses and pillows.
12. Door screens for all messrooms.
13. Two pieces of toilet soap and two cakes of laundry soap per man per week.
14. Mirrors in all aft quarters.
15. Cowl ventilators instead of mushrooms on poop.
16. Bathrooms tiled.
17. Fresh milk three times per day.
18. Fresh vegetables and salads daily.
19. Fresh fruit daily.
20. Ice cream twice weekly.
21. No stews or goulashes: steaks and chops only.
22. Extra men in galley.
23. Dismissal of union members who stood by during strike.
24. Demand cadet join union.
25. Coffee time morning and night.
26. Men repeatedly drunk to be kept on board.
27. Wages while on sit-down strike.
28. Removal of certain engineers.
29. Increase in wages for nurse-stewardess.
30. Oiler's and firemen's work to be confined to engine and fireroom.
31. Employment of firemen not wanted by the corporation.
32. War bonus.
33. Four-hour watch system for oilers, water tenders, and firemen.
34. Use of swimming pool on passenger ships.
35. Forcing pursers to join the union.
36. Able seamen only shall be sent into the chain locker to stow chains.
37. No one to cut in or out boiler or bulkhead stops or install water glasses but the engineers.
38. Day oiler to go on watch and the engine cadet on day work.
39. Fresh-water pump to be run at all times to give more pressure on the shower—35 pounds.
40. Firemen while on watch to work only in the fireroom to take care of their respective stations, boiler paint work, floor plates, burners, and strainers. No firemen to go above first grating or below floor plates while on watch.
41. While on watch water tenders to take care of water levels and steam pressure. Water tenders while on watch to do no work for the maintenance of the ship or go above first grating or below floor plates while on watch.
42. Oilers while on day work to work at the discretion of the first assistant.
43. Oilers while on watch perform regular duties pertaining to the watch and such work on their station which may be necessary for their upkeep.
44. Oilers while on watch perform regular duties pertaining to the watch and such work on their station which may be necessary for their upkeep.
45. Oilers not to go above first grating or below floor plates or shaft alley to work while on watch.
46. Members of steward's department shall not be required to carry heavy stores and provisions except laundry on board, but all stores and provisions shall be stowed by the steward's department.
47. Members of steward's department shall not be required to paint anything but their own quarters.
48. No member of the steward's department shall be required to serve coffee or meals on the bridge or in the engine room, nor shall they be required to enter the same at any time unless for the safety of the vessel.
49. No work to be done after Saturday noon, Sundays, and holidays outside of regular watch duties for the safety of the ship.
50. Time starts when men are called, if they report for work within 15 minutes; if they do not report within 15 minutes, time is to start from the time of reporting for duty, and time shall count from the time men are turned to until they are released, including time of standing by.
51. On days of departure all watches shall be set not later than 12 noon.

52. The day vessel arrives from sea to a port of call shall be considered the day of arrival and that subsequent sailings from that port occurring in inland waters, bays, and rivers and sounds shall be considered as moving the ship.

53. All men between the hours of 6 p. m. and 8 a. m. are to perform no work excepting the regular watch duty.

54. In the steward's department a working day of 8 hours in a spread of 12 hours shall be recognized as a day's work. A utility man to be carried on ship when carrying five or more passengers.

55. Breakfast, 7:30 to 8:30; dinner, 11:30 to 12:30; last regular meal shall be at 5 p. m.

56. No meals or coffee will be served to anyone other than the crew without written authority of the master or chief officer. When the captain or chief officer orders meals served to watchmen, customs officers, etc., the sum of 30 cents for each meal served to the above-named persons shall be equally distributed to the men in the steward's department actually engaged in the work.

56. Require passengers' meal hours changed to suit hours of crew in foreign ports.

57. Messmen instead of mess boys.

58. Fumigation of crew quarters on all ships each voyage.

59. Overtime for Saturday and Sunday and legal holidays while performing routine duties, both domestic and foreign ports.

60. Overtime to remove debris from holds.

61. Overtime for installing cooling water pump in port.

62. Steward's department: Overtime for gangway watch in foreign ports.

63. Steward's department: Overtime for legal holidays in foreign ports.

64. Deck department: Overtime in excess of 8 hours in foreign ports.

65. Engine and deck departments: Overtime in excess of 8 hours.

66. Overtime docking and undocking when watches are broken out.

67. Where actual overtime work is less than one hour, payment for one hour will be allowed. Where overtime work exceeds one hour, payment will be allowed for actual time worked but not less than $\frac{1}{4}$ -hour periods.

68. Oiling winches or keeping steam on deck between noon Saturday and midnight Sunday in ports is to be overtime for those on watch; when cargo is worked weekdays after 5 p. m., the watches are to be paid overtime in all ports. For watches from noon Saturday to midnight Sunday in foreign ports men to be given time off.

69. In lieu of overtime on Saturday afternoon and Sundays at ports other than home ports on freighters overtime shall be paid for work on holidays whether in port or at sea.

70. Quartermaster standing gangway watch and station man standing their regular watches on Saturday afternoon Sundays and holidays shall be paid overtime to work such watches.

EXHIBIT 32

QUOTATIONS FROM REPORT OF OPERATOR OF GOVERNMENT-OWNED SHIP TO MARITIME COMMISSION DATED SEPTEMBER 8, 1937

* * * * *
Deck crew refused to put up the semi-permanent grain fittings when instructed by the mate. As you know, these grain fittings had been installed by the crew for the last 10 or 12 years, ever since they were placed on the vessel. It was not until this question was taken up with the Union Authorities in New York, and they sent a telegram to the ship at Norfolk, that the crew started putting up these fittings.
* * * * *

This vessel arrived in New York September 2d and was ready to sail for Philadelphia September 4. However, on account of the holiday, in order to give the crew shore leave, the ship was scheduled to sail for Philadelphia at 10 a. m. September 7th. When the tugs arrived at that time, and the ship was ready to sail, the deck, engine, and steward's departments, unlicensed, refused to sail until another galley boy was placed on board. The ship was also short one able seaman, who was taken off that morning, and his replacement had not arrived from the union, and it was our intention to use the utility man, but the deck delegate stated the men refused to sail until the able seaman arrived. While the controversy over the galley boy was being settled the replacement (A. B.) arrived. We explained to the ship's delegate that the ship had its full complement in the

steward's department—that is, six men, which included a messman and two messboys—and that it did not rate a galley boy unless it was carrying passengers. It was not until this question was taken up with the union authorities, and much time lost, that the men were told by the union authorities to sail the ship without the galley boy. She sailed at 12:10 p. m.

(Complete documents from which these quotations were taken are on file in the Senate Commerce Committee.)

(The Maritime Commission transmitted 21 documents in addition to those from which quotations are made and which are of similar tenor. Twelve of these are dated within the last 3 months, and 4 more within the last 6 months.)

(The following cases were also brought to the attention of the Maritime Commission and were forwarded to the Senate Commerce Committee.)

STEAMSHIP "ATLANTIC"

Owner: Argonaut Line, Inc.

Place of occurrence: New Orleans, La.

On June 30, 1937, articles were signed before a shipping commissioner for a voyage to East and South African ports via coastwise and return to final port of destination in the United States for a period not to exceed 12 calendar months.

On July 31, 1937, when the vessel still had several tons of cargo yet to be loaded on her voyage to Africa, the steam was turned off and the three mates and three assistant engineers notified the captain that they would no longer perform their official duties until the master met certain demands. The vessel was delayed on her voyage from July 31, 1937, to about August 22, 1937. During the entire period the six licensed officers referred to refused to take the ship to sea and were finally replaced by other officers.

The matter was referred to the Department of Commerce. An investigation was started on August 23rd and ended on August 25th, and the said officers were tried on August 25th, the case still pending in the Department, no decision having been rendered.

STEAMSHIP SEATRAN "NEW YORK"

Owner: Seatrain Lines, Inc.

Place of occurrence: New Orleans, La.

On April 20, 1937, shipping articles were signed before a duly designated U. S. shipping commissioner for a period not exceeding five calendar months.

About 5 p. m. on August 18, 1937, the vessel being fully loaded and ready for sea (a great portion of the cargo being perishable), the captain ordered the lines cast off. The unlicensed personnel refused to cast off the lines and take the vessel to sea. The master again ordered the crew to "turn to" but they refused. The ship was delayed on her voyage from August 18, 1937, to August 29, 1937.

A report was made to the Bureau of Marine Inspection and Navigation. An investigation was ordered. The board convened on August 26, 1937, and a majority of the crew of the unlicensed personnel were tried on August 28, 1937. The matter is still in the hands of the Department of Commerce, no decision having been rendered.

STEAMSHIP SEATRAN "HAVANA"

Owner: Seatrain Lines, Inc.

Place of occurrence: New York, N. Y.

Articles were signed before a duly authorized Shipping Commissioner somewhat similar to the articles signed on the S. S. Seatrain *New York*. On August 18, 1937, the vessel was fully loaded and ready for sea. The master gave the order to cast off. The men refused. The matter was reported to the Bureau of Marine Inspection and Navigation. An investigation was ordered. The Board convened on August 26th and adjourned on August 31st. The ship was delayed on her voyage from August 18, 1937, to August 29, 1937. The matter is now in the hands of the Department of Commerce, no decision having been rendered.

STEAMSHIP SEATRAN "HAVANA"

Owner: Seatrain Lines, Inc.

Place of occurrence: New Orleans, La.

On July 14, 1937, the vessel was ready to proceed on her voyage. The unlicensed personnel refused to take the vessel to sea. The unlicensed personnel was replaced with a new unlicensed crew, whereupon the licensed assistant engineer refused to take the vessel to sea, although at the time she was anchored in the stream. The old licensed personnel were then taken back on the vessel and the vessel sailed on July 23, 1937, having been delayed nine days.

This matter was not reported to the Department of Commerce, as it was believed at the time that the action was not that of the crew acting on its own responsibility.

STEAMSHIP "CALIFORNIA"

Owner: Panama Pacific Line.

Place of occurrence: Balboa, C. Z. On August 27, 1937, orders were given to cast off the lines. Nine men in the deck department refused. After a delay of approximately twenty minutes the lines were cast off and the vessel continued on her voyage.

Place of occurrence: At sea. On September 19th and 20th, William Burke, electrician, failed to stand his watches.

Place of occurrence: Colon, C. Z. On September 21st, when the vessel was due to cast off from her dock, signals were given to the engine room to get under way. The engineer on duty ordered the fires lit. Four firemen on watch refused. It became necessary for the engineer officer on watch to light off the fires himself. After the vessel got under way the firemen who had refused to obey the orders turned to.

These three cases were reported to the Bureau of Marine Inspection and Navigation. An investigation was ordered. All of the men, over whom the Department of Commerce could get jurisdiction, were tried. The matter is now in the hands of the Department of Commerce. No decision has been rendered.

STEAMSHIP "AMERICAN SHIPPER"

Owner: United States Lines Company.

Place of Occurrence: New York, N. Y.

12:50 p. m. September 11, 1937. The crew under articles and vessel ready to sail, with gangway landed, when orders were given to let go the moorings. Four seamen refused to obey the chief officer's orders to cast off. The vessel was delayed until 1:13 p. m.

This matter was not reported to the Department of Commerce.

STEAMSHIP "HOXBAR"

Owner: C. D. Mallory.

Place of occurrence: Marcus Hook, Pa.

On August 22, 1937, the unlicensed personnel demanded so-called "overtime pay" for the performance of certain of their duties, and when the demand was refused the crew refused to obey orders and went on a so-called sitdown strike.

STEAMSHIP "SWIFTSOUT"

Owner: C. D. Mallory.

Place of occurrence: Providence, R. I.

On August 26, 1937, the unlicensed personnel refused to handle lines of tugs whose crews were not members of their union (National Maritime Union). Orders were given to handle the lines, but the crew refused.

S. S. "MALACCA"

Owner: C. D. Mallory.

Place of occurrence: At Baltimore, Md.

On September 7, 1937, five members of the crew refused duty because their officers were not members of a union affiliated with the National Maritime Union. The action of five members of the crew caused the vessel to be tied up.

S. S. "HALSEY"

Owner: C. D. Mallory.

Place of occurrence: Baltimore, Md.

On September 7, 1937, the engine room crew refused to furnish steam to discharge cargo or move the ship. Orders were given but refusal continued in sympathy with the situation on the S. S. *Malacca* referred to above.

S. S. "DURANGO"

Owner: C. D. Mallory.

Place of occurrence: Houston, Tex.

The crew refused to obey the orders of the master when orders were given to cast off the lines and sail the vessel. The unlicensed personnel and certain of the officers were making demands for so-called "overtime pay" and further demanding that the shipping articles signed before a shipping commissioner be re-written.

S. S. "MALAY"

Owner: C. D. Mallory.

Place of occurrence: Houston, Tex.

September 30th the crew refused to perform their official duties, although they had no complaint. Their refusal was based on their sympathy for the crew of the S. S. *Durango* referred to above.

S. S. "F. W. ABRAMS"

Owner: Standard Oil of New Jersey

Place of occurrence: Providence R. I.

Crew refused to perform its official duties because of their sympathy with the demands of the S. S. *Sylvan Arrow*.

This matter was reported to the Bureau of Marine Inspection and Navigation. Proper hearings were ordered and had and the men were tried. The matter is now in the hands of the Department of Commerce and no decision has been rendered.

S. S. "T. C. M'COBB"

Owner: Standard Oil of New Jersey.

Place of occurrence: Wilmington N. C.

Crew refused to take the ship to sea when ordered to do so by master. Ship delayed approximately twenty-four hours.

EXECUTIVE SESSION

AMENDING THE MERCHANT MARINE ACT OF 1936

TUESDAY, JANUARY 4, 1936

**UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.**

The committees met in executive session at 10 a. m. in the committee room of the Senate Committee on Commerce in the Capitol, Senator Royal S. Copeland (chairman of the Senate Committee on Commerce) presiding.

Present: Senators Copeland, Thomas of Utah, Donahey, Maloney, Nye, Vandenberg, and Gibson.

Present also: Rear Admiral H. G. Hamlet, United States Coast Guard; Capt. C. S. Joyce, United States Navy; Commander E. G. Small, United States Navy; Commander R. S. Field, United States Navy, Bureau of Marine Inspection and Navigation, Department of Commerce; John J. Daly, United States Shipping Commissioner, New York, N. Y.; John W. Mann.

The CHAIRMAN. This is a joint hearing of the Committee on Commerce and the Committee on Education and Labor, in executive session. Its purpose is to continue the hearing of witnesses from the Government with respect to the conduct of seamen.

Commander Field, may we begin with you?

Commander FIELD. Yes, sir.

The CHAIRMAN. Have you arranged your material so that you can present it concisely?

Commander FIELD. Yes, sir.

The CHAIRMAN. You may proceed, Commander.

STATEMENT OF COMMANDER R. S. FIELD, BUREAU OF MARINE INSPECTION AND NAVIGATION, DEPARTMENT OF COMMERCE

Commander FIELD. I have prepared here a summary of the cases which the Bureau of Marine Inspection and Navigation has investigated, and it is in pamphlet form. Of course, all of these cases that I have here are not necessarily cases of alleged misconduct; some of them go into collisions and some into mishaps which had to be investigated.

We have, as you know, the A marine investigation board, which investigates casualties which result in loss of life; we have the B marine investigation board, which investigates serious casualties which do not involve loss of life; and then we have the C board,

which investigates casualties of less importance. Generally speaking, where an investigation of conduct is concerned, where there has been no loss of life or no major casualty involved, it is handled by a C board.

These boards conduct investigations, and if an apparent cause is found for bringing any officers or any of the unlicensed personnel to trial, those boards conduct the trials. If, as the result of such a trial, the Director of the Bureau of Marine Inspection and Navigation finds that there has been any misconduct, any unskillfulness, or any of the various other terms mentioned in the law, he is required to suspend or revoke the licenses or certificates of the people found guilty.

A summary indicates that since this amendment to section 4450 went into effect on August 27, 1936, we have had 167 complaints, 83 of which have been closed, 24 of which are in the Bureau, ready for review, and 60 of which are still under investigation.

The CHAIRMAN. Complaints relating to conduct?

Commander FIELD. Generally speaking, yes, sir.

There have been 63 major "A" cases, of which 39 are closed and 24 are under investigation.

There have been 89 major marine casualties, which we call "B" cases, of which 70 are closed and 19 are under investigation.

We have found 634 minor "A" cases. A minor "A" case is a case in which a life has been lost but no particular collision or casualty or fire has occurred. It is just where life has been lost aboard ship. There have been 634 of those minor "A" cases, of which 324 have been closed and 310 are still under investigation.

There have been 2,447 of the "C" cases, of which 2,150 have been closed and 297 are under investigation.

I can submit this whole pamphlet for the record, unless you would like me to read it.

The CHAIRMAN. You might do that. Are you, in addition to that, going to sift out and present a few specific cases relating to conduct or misconduct?

Commander FIELD. I could do that.

The CHAIRMAN. I have before me a short list of such incidents which I should like to take up individually for discussion.

The first one I have here occurred under date of September 3, 1937. It reads:

On September 3, 1937, seamen of the S. S. *President Grant* brutally assaulted Chinese at Hongkong, receiving severe fines. The consul was of the opinion that so many incidents of the kind had happened that jail sentences would be handed out in the future and reported that such incidents had created in Hongkong a very bad impression of American merchant seamen in general.

Have you any record of that particular incident?

Commander FIELD. Yes, sir.

The CHAIRMAN. What did your people say about it?

Commander FIELD. The consul at Hongkong, under date of September 21, 1937, reported that two seamen of the S. S. *President Grant* assaulted Chinese. One paid his fine; the other was serving 91 days in jail.

That is an element of misconduct which reflects on the American merchant marine as a whole and embarrasses our consuls in foreign ports; but as far as my action in a case like that is concerned, I have none. A man who gets into trouble on shore is not subject to my jurisdiction.

Senator VANDENBERG. That is purely a matter of personal misconduct and does not involve any conspiracy to produce misconduct.

The CHAIRMAN. Is that all you have to say about that?

Commander FIELD. Yes.

The CHAIRMAN. I shall call that one No. 1, for the purpose of the record.

The second one occurred on June 28, 1935, and reads:

On June 28, 1935, the consul at Vancouver, British Columbia, reported that the crew of the S. S. *Tezada* had been guilty of mutinous conduct in sympathy with striking longshoremen in that port. They were discharged and boasted that upon their return to San Francisco they would effect the ruin of the Kingsley Navigation Co. (the owners of the vessel) and the separation from the foreign service of the consul.

Have you any record of that case?

Commander FIELD. There is no record of that case at all, sir.

The CHAIRMAN. The third one was on May 9, 1936. It reads:

On May 9, 1936, the consul at Wellington, New Zealand, reported that a seaman of the S. S. *Golden Bear* was discharged by reason of imprisonment by New Zealand authorities on a charge of assaulting the second officer, and drunkenness. It appeared that he had threatened violence to other officers and had been inciting others of the crew to insubordination. The consul reported that ships were having increasing difficulties in maintaining American shipping service.

Have you anything on that case?

Commander FIELD. May 9, 1936?

The CHAIRMAN. Yes.

Commander FIELD. No, sir; I do not attempt to go back that far.

The CHAIRMAN. The fourth one was on September 10, 1936. I read:

On September 10, 1936, the consul at Bombay, India, reported that the entire American crew of the S. S. *President Wilson* had committed a number of acts which he interpreted as mutiny and that it was one of a series of similar events that had been taking place on the vessels of the Dollar Line.

Is that too far back for your record?

Mr. MERRILL. That does not come under an investigation of this sort. September 1936 was before the State Department was referring those to the Bureau for board investigations.

The CHAIRMAN. The fifth one reads:

On February 2, 1935, at Hong Kong, one member of the crew of the S. S. *President Grant* stabbed and killed another member of the crew, apparently as a result of labor disputes. The magistrate commented upon the disgraceful conduct of American seamen. The consul reported a number of similar assaults which had taken place there and said American vessels were coming into disrepute.

That, I take it, is also too far back?

Commander FIELD. Yes.

The CHAIRMAN. The sixth one reads:

On October 27, 1936, while the S. S. *West Mahwah* was at the dock in San Juan, Puerto Rico, the crew struck, complaining of poor food and demanding the discharge of the steward.

Have you a record of that?

Mr. MERRILL. Yes, sir.

The CHAIRMAN. What have you to say about that one?

Mr. MERRILL. We have the *West Mahwah*, sir, with reference to the abandonment of four men by the master. It was a complaint against A. C. Yetkin, second mate, for negligence and inattention to duty. That was on the *West Mahwah*, but that was not the incident you refer to. We do not have that case, sir.

The CHAIRMAN. The next case, No. 7, occurred on April 22, 1937. It reads:

On April 22, 1937, the consul at Bombay, India, reported disgraceful conduct of the members of the crew of the S. S. *President Adams*, pointing out that, indicative of the loss to American shipping due to these conditions, whereas the vessels of the Dollar Line left Bombay two years ago with full passenger lists, the S. S. *President Adams* took on only 13 passengers.

This is compared with the lack of accommodations available on ships of other nationalities during the coronation period, even though the number of ships on the run has been doubled.

Do you have a report on that?

Commander FIELD. That has not been completed as yet; it is an open case.

The CHAIRMAN. The eighth incident reads:

On August 28, 1937, the consul at Genoa, Italy, reported disgraceful conduct of some of the crew of the S. S. *President Adams* while in Naples and that protests had been received by local authorities. It appeared that there had been considerable trouble with the crew on board and that there was absolutely no discipline.

The consul said:

"The important undeniable fact is that the crews of many American ships particularly those sailing in eastern waters, are being stampeded and bullied by bad agitators, and the result may be little short of disastrous," and that "the traveling public is beginning to talk about the scandal of these undisciplined American ships and of the unethical familiarity of the crews and officers, with the result of lack of discipline."

Have you anything on that case?

Commander FIELD. Well, I have the report from the State Department consul at Naples on August 27 and another report from the consul at Genoa, a continuation of the same incident, on August 28. There was a disturbance at Naples on August 24 when the *President Adams* was sailing and 11 members of the crew were left behind. The consul arranged for their transportation to Genoa the next day, where they rejoined ship.

The consul at Genoa made further statements under date of August 28 regarding the Naples incident, and there were also statements from passengers as to the lack of discipline.

There was no action taken by the Bureau in this case.

The CHAIRMAN. Are experiences such as those we have spoken of here common to vessels of other countries?

Commander FIELD. I do not believe so, sir; I think that they are peculiar to the American merchant marine.

Senator VANDENBERG. You say you took no action in that case. Do you mean that it proved to be out of your jurisdiction?

Commander FIELD. No, sir; I would not say that. I have several reports here as to which we have not taken any action; I just jotted down little statements as to what the situations were. Would you like to have that in the record now?

The CHAIRMAN. Yes. Go ahead.

Commander FIELD. During the months of August, September, October, and November 1937, a great many reports were received in the Bureau requesting that investigations be held, looking into alleged misconduct on the part of officers and unlicensed personnel on board ship.

In each case where a definite statement involving specific persons was addressed to the Bureau, an effort was made to conduct such an

investigation. A great many investigations have been held, and the records and reports are coming in all of the time. The personnel available in the Bureau for reviewing these records is limited, with the result that we are considerably far from being up to date in our actions on them.

Due to the press of work and due also to the frequency of reports which, by their vagueness, would not justify investigation, we have in some cases failed to take any action.

It is my hope, after this law has been in effect a while longer, and after we have been able to improve our organization, to be able to insure that all matters which should be investigated by the Bureau will be investigated promptly and proper action promptly taken and announced. It is true that masters of ships, in many cases, faced with an apparent opposition to their will on the part of members of the crew, have not attempted to assert their authority, not to take the action which by law and tradition masters have generally taken in such cases, and have simply thrown up their hands and reported to their owners that they had a strike on their hands. In many such cases, where the masters have shown a proper firmness, the difficulties have been overcome promptly.

I have here a résumé of some cases in which the Bureau has taken no disciplinary action.

The CHAIRMAN. Why does not the master do what is his duty according to the tradition of the sea?

Commander FIELD. In some cases I would say, sir, due to his weakness and unfitness for his job; but in the majority of cases due to fear of reprisal against him by the union activities.

The CHAIRMAN. Is it recognized in maritime circles that in theory, at least, the captain of the vessel is really the master?

Commander FIELD. Oh, yes.

The CHAIRMAN. That is the tradition of the sea, is it not?

Commander FIELD. Certainly.

The CHAIRMAN. Is it the feeling in your Bureau that for certain reasons there is a general breakdown in morale, so far as the attitude of captains may be considered? In other words, is this a new situation on the sea? Is it only recently that there has been this fear of reprisals and, consequently, this flabbiness in their functioning?

Commander FIELD. I would not call it a general breakdown, but certainly a decided falling off from the proper standards. This situation, as I understand it, has been built up in the last 3 or 4 years, since the union activities have become so much more powerful.

The CHAIRMAN. Do you hear of a similar let-down of discipline in foreign ships?

Commander FIELD. No, sir.

Senator DONAHEY. Do you mean that union activities have made the skippers or masters fearful for their own welfare?

Commander FIELD. Not for their own personal welfare or bodily welfare, but for their jobs.

Senator VANDENBERG. You do not mean to say that in every instance if the captain stood his ground he could not successfully meet these situations, do you?

Commander FIELD. No, sir; I mean to say that in a great many instances if he would adopt a firm stand at the time the trouble comes up, he could overcome it without any difficulty.

Senator VANDENBERG. I should like to follow through, if you do not mind, one case, Mr. Chairman, which is typical and which falls within the time limit that Commander Field has been discussing.

I think Commander Field's attention has been drawn to the case involving the S. S. *President Taft*, concerning the incident which occurred at Cristobal, Canal Zone, on the morning of September 16, 1937. I am referring to a letter which was addressed to Mr. Kennedy, Chairman of the Maritime Commission, signed by three officers of the *President Taft*. I am referring to an utterly insufferable situation.

Commander Field, will you discuss that in your own way?

Commander FIELD. Yes, sir. Under date of September 18, 1937, three officers of the S. S. *President Taft* wrote a letter to Mr. Joseph P. Kennedy, Chairman of the Maritime Commission, a copy of which letter was sent to me under date of September 21, 1937, by Mr. Louis Bloch, labor advisor, Maritime Commission, in which letter Mr. Bloch stated:

Since the matter referred to in this letter is within the jurisdiction of your Bureau, we are referring it to you for whatever action you may deem appropriate.

Do you want that letter read into the record?

Senator VANDENBERG. I think it has already been read.

The CHAIRMAN. It was read into the record the last time.

Senator VANDENBERG. I think the committee is familiar with it. I would like to know what you did, what you found, and what the result has been.

The CHAIRMAN. That letter may be found in the typewritten record of December 16, 1937, at page 18.

Senator VANDENBERG. I suggest that the letter be printed in the record at this point, without a reading of it.

The CHAIRMAN. Yes.

(The letter referred to is as follows:)

In the belief that your Commission is founded upon fairness and equal treatment for all, which should include equally officers entrusted with the responsibility of operating American vessels as well as drunken irresponsible crews carried thereon, we the undersigned officers of this vessel respectfully request that you designate some member of your organization to conduct an investigation tending toward the punishment, and curbing in the future, the conduct and actions of certain members of the unlicensed personnel such as took place at Colon the morning of September 16th, the present voyage.

Briefly the facts of the incident are as follows:

Vessel scheduled to sail at 1:00 a. m. on arrival and notices so posted. At sailing time some eight or ten members of the crew were still on shore including two who were being held in jail by the local police for drunkenness and assault. At 1 a. m. with towboat, canal pilot, and dock force all standing by in readiness to sail, the deck force refused to let go the lines until their union brothers returned to the ship. Many of the men in all three departments were intoxicated and much arguing and brawling was going on about the ship and in the vicinity of the gangways. When being ordered by the master to let go the lines the crew retorted that they would sail the ship when they felt like it. Orders were then given to clear the after lines by any means possible including cutting them adrift if necessary. The two stern lines were hove aboard by the chief officer assisted by four ordinary seamen whom the balance of the crew had not as yet been able to coerce into refusing. The spring line was cut adrift by the first officer in order to prevent it fouling the propeller. Ship was worked ahead by the towboat and the bow lines cast off and left dragging in the water. We backed clear of the dock and turned around in the harbor and then served notice upon the crew that unless they turned to a charge of mutiny would be placed against them. It was our intention to, if necessary, tow the vessel out through the breakwater onto the high seas. The assistance of the engineers below, however, made this unnecessary and we proceeded under our own power.

After the usual discussion among the crew they turned to and prepared the ship for sea, the missing members having been placed on board by Canal Zone launches. Word had evidently reached them in the "gin mill" where they were hanging out that the ship was backing away from the pier. Thus we added one more disgraceful sailing of an American passenger ship to a list that is far too long already.

We believe that if your Commission would, after a fair investigation, suspend or revoke the certificates of such members of the various unions as instigate these affairs and such members as are habitual drunkards, brawlers and users of filthy and obscene language about passenger decks and gangways at sailing time, equally as an officer would be treated under like circumstances, much could be done to curb and improve conditions which are fast becoming intolerable aboard American passenger vessels.

Commander FIELD. I must say, Senator, that I believe in this case an investigation should have been conducted and was not conducted.

Senator VANDENBERG. Do you mean that it should have been conducted by your Bureau?

Commander FIELD. Yes, sir.

Senator VANDENBERG. Do you mean that as a result of the lack of investigation you have no facts to give us in the case?

Commander FIELD. Yes, sir. Although it has no bearing on the failure of my Bureau to take action, I have a statement on the same condition, submitted by one Frank J. Hennessy, deck delegate, to whom the master made references in his log.

The CHAIRMAN. Does he make a defense? What does he say?

Commander FIELD. He says:

Mr. KENNEDY,

*Chairman U. S. Maritime Commission,
45 Broadway, New York, N. Y.*

DEAR SIR: I have been instructed by the deck crew of this vessel to explain to you briefly an incident that happened in Colon, Canal Zone.

The vessel was due to leave Colon at 1:00 a. m. September 16, and a half hour before that time the captain told the mates that if the gang was not aboard at 1:00 a. m. to chop the lines. The chief officer was informed at sailing time that the carpenter, six A. B.'s and an ordinary seaman was still ashore and the gear and hatches were still not secured. The captain said that he was not interested and to let go the ship.

The men on board naturally refused to do this as they had already experienced going to sea improperly secured. When the ship left San Pedro Harbor the booms were not lashed and the strongbacks just laying on the hatches. Also the lines were left on deck. The ship hit a blow in the Gulf of Lower California and all hands had to be broke out to secure the ship.

And here the master wants to head out into the Caribbean Sea without the booms down or the hatches even battened and eight men from the deck department still ashore.

The mate aft started to chop the spring line but the axe was so dull he had to take the lines in aft; then the ship run ahead a little and the bow lines were thrown off the deck and left hanging in the water. But, before the bow lines were let go, the missing men were on the dock. The captain hollered down that the company would not be responsible for getting the men aboard, so they rented a launch and caught the ship out in the stream. The captain's words to the quartermaster at the wheel were, "I have a case against them now." So you can plainly see that he is trying to bring about trouble between himself and the crew.

He has entered in the ship log that the gear was secured at 12 00 midnight which is a deliberate lie as we can prove. The gear was not completely secured until 3:30 a. m.

It is the respectful request of the deck crew of this vessel that you investigate this matter upon our arrival at New York September 21.

Respectfully yours,

(Signed) FRANK J. HENNESSY,
Deck Delegate.

This letter, if I remember correctly, was received sometime after the report from the three officers.

As I said before, the action of the Bureau in this case was not complete, and I assume full responsibility for it. I believe that in this case we failed to investigate a matter which should have been investigated.

The CHAIRMAN. Not with any thought of criticism, but as a matter of interest, why did you not make that investigation?

Commander FIELD. Well, I will tell you frankly. I had been in office at that time for about 3 weeks and was loaded down with these investigations. More requests were coming in every day, and I assume that the reason why I did not push it was that I was so busy with other matters that it slipped my mind. However, someone in the Bureau telephoned to the shipping commissioner in New York, because we have a letter from him which partially covers the matter.

The CHAIRMAN. That is, from Mr. Daly?

Commander FIELD. Yes. It partially went into the thing.

Senator VANDENBERG. I should like to hear that letter.

The CHAIRMAN. Mr. Daly is here.

Commander FIELD. Mr. Daly's letter touched on that and also touched on another incident.

Under date of December 23, 1937, in a letter addressed to the Director of the Bureau of Marine Inspection and Navigation, Mr. Daly, the United States shipping commissioner in New York, wrote:

Enclosed please find excerpts from the official log book of the steamship *President Taft*, referring to crew trouble in Cristobal, Canal Zone, September 16, 1937.

You will notice that no penalties were imposed.

The under-named members of the crew were paid off at New York September 22, 1937, one of whom is Steven Patterson, who is mentioned in the captain's entry of the official log book.

I shall omit those names and also a paragraph referring to another ship.

Senator VANDENBERG. All right.

Commander FIELD (continuing reading):

The statement made by the master and chief engineer to the U. S. Maritime Commission, setting forth the circumstances, was promised to me by the master for this afternoon. However, up to this writing I have not received it. Should it arrive before I leave the office, I will mail it to you under separate cover.

That is unessential, because a copy of the same report, presumably, was sent to me.

STATEMENT OF JOHN J. DALY, UNITED STATES SHIPPING COMMISSIONER, NEW YORK, N. Y.

The CHAIRMAN. Do you remember the case, Commissioner Daly?

Commissioner DALY. Yes; I remember the master coming in and telling me about it, but when the deputy commissioner went over to the ship there were no penalties imposed, and there was no question between the master and me.

The CHAIRMAN. That is to say, if any penalty is imposed, you would have no jurisdiction?

Commissioner DALY. Absolutely none.

Commander FIELD. So far as the shipping commissioner is concerned.

Commissioner DALY. The matter should be taken up with the local inspectors for hearing or for revocation of licenses, whichever the Bureau wants to do, and that is entirely out of my jurisdiction.

The CHAIRMAN. Is the organization of the Bureau now such, Commander Field, that there would not be the neglect of a case like this?

Commander FIELD. I certainly trust so, sir.

Senator VANDENBERG. Commissioner Daly, have you any case in mind, that has come to your attention, that was any more challenging than this one?

Commissioner DALY. Oh, yes; we have had a number of cases sent to the Bureau for investigation.

Commander FIELD. May I read into the record the log? I want to put in all that I have.

The CHAIRMAN. Yes.

Commander FIELD. This is an extract from the log.

The CHAIRMAN. Is that a photostatic copy?

Commander FIELD. No; it is copied onto a blank log sheet. The ink that you see on it was spilled. It reads:

CRISTOBAL, CANAL ZONE,
September 16, 1937—1 a. m.

Departure of this vessel at hour scheduled delayed by action of unlicensed members of deck department, exclusive of quartermaster, cadets, and four ordinary seamen, refusing to let go lines or participate in sailing of vessel until one of their gang, C. Labre, and one fireman, H. Finger, were released by Panama police, who were holding them in jail until fines were paid. Vessel taken from dock without the aid of crew, with assistance of Panama Canal pilot, tow boat, and port captain and dock gang. Two stern lines taken aboard by four ordinary seamen, spring line cut adrift, bow hawsers cast off, and towed out into harbor. Eight men placed on board in stream by Panama Canal launchers. Crew notified that unless they turned to, a charge of mutiny would be preferred against them. Drunken brawl among crew on after deck. Crew finally turned to, and vessel proceeded to sea. Notice is hereby made of intention of appealing to U. S. Maritime Commission for investigation of and proper disciplining of principal leaders.

O. A. PIERSON, Master.

Another entry reads:

Notice is hereby given of intention of appealing to the Maritime Commission for aid in curbing such activities on the part of various crew members and in particular against one able seaman by name of Frank Hennessey and one fireman by name of Stephen Patterson for their vicious and unwarranted verbal attacks upon the chief officer and chief engineer of this vessel.

O. A. PIERSON, Master.

Senator VANDENBERG. Commander Field, have you received notice of any more formidable case than that?

Commander FIELD. Oh, I think so; yes, sir.

Senator VANDENBERG. I hope you will present it if you have.

The CHAIRMAN. I have only two or three more here. Suppose we finish with them.

Senator VANDENBERG. Let us finish with mine, if you do not mind, Mr. Chairman.

It seems to me that some correction is necessary, somewhere, if as formidable and as well-authenticated a statement as that can simply go into a pigeonhole. Something is wrong with the mechanics of the situation.

The CHAIRMAN. I think that Commander Field has been very frank about it. If this practice were habitual on the part of the Bureau, it would be a very serious thing; but the commander has said that he had been on the job only 3 weeks and that his desk was piled up.

Have you anything more to say on that matter, Commander?

Senator VANDENBERG. Let us put it this way: If you got that notice today, it would not go into a pigeonhole?

Commander FIELD. No, sir; it would not.

Senator VANDENBERG. It would be investigated?

Commander FIELD. Yes.

Senator VANDENBERG. Suppose it were investigated and that you found out that the facts as reported by the officers of the ship were true: What would happen?

Commander FIELD. The extent to which I may go in the performance of my duties extends only to the revocation or suspension of the licenses or certificates of the men concerned. If in the process of one of our investigations a probable cause for criminal action is disclosed, we cite the case, through the Secretary of Commerce, to the Department of Justice, as was done in the case of the *Algic*.

Senator VANDENBERG. Is it your judgment that that routine and this existing authority are sufficient to deal with these situations?

Commander FIELD. I really believe they are, sir.

Senator THOMAS of Utah. How long has this Bureau been functioning?

Commander FIELD. The combined Bureau of Navigation and Marine Inspection has been in operation since 1934; this particular amendment to section 4450 has been in effect since August 1936; that is, the creation of these marine investigation boards. Before that time the local inspectors in the various ports, where local boards existed, were authorized to make investigations themselves on the spot and revoke or suspend the licenses or certificates of the officers or men in the merchant marine. That authority to revoke or suspend has now been centered in the Bureau.

Senator THOMAS of Utah. Did this amendment come into existence as a result of the labor troubles on the Pacific coast?

Commander FIELD. I do not think so; I think it is one of the general developments incident to the Nation-wide interest in the *Morro Castle* and *Mohawk* disasters.

The CHAIRMAN. It resulted from the investigations of this committee.

Senator THOMAS of Utah. It had no relation to labor troubles as such?

The CHAIRMAN. No; it did not. I can answer that.

Senator VANDENBERG. This trouble, I judge from your own testimony, has greatly increased within the last year, has it not?

Commander FIELD. I would not say within the last year, sir; it has greatly increased in the last 2½ years; and I would say, without authority but just from observation and from what I believe, that it is not increasing now.

Senator VANDENBERG. Well, is there any recession, or has it just reached a certain level and stayed there?

Commander FIELD. Well, I can put it this way, sir: In August, September, and October we were receiving a great many more complaints than we are receiving at the present time.

Senator VANDENBERG. Is there any explanation in your mind for that?

Commander FIELD. Either there is a betterment of the conditions, or—I want to be perfectly frank—it might be the mere fact that we have held some investigations and tried some people, the implication

being that their licenses or certificates are hazarded and that they are thus behaving better.

I have no doubt, from what I hear in the industry, that the prosecution of the crew of the *Algie* has had a very healthful influence. I have been informed by shipowners and their representatives that as soon as we are able—as soon as the Bureau of Marine Inspection and Navigation is able—to find some people guilty and can suspend or revoke their licenses as a result of some of these so-called sit-down strikes, that will have a healthful influence, and the so-called sit-down strikes will be greatly diminished or will stop.

Senator VANDENBERG. We have heard quite a little about some new arbitration contracts written between the shipowners and the C. I. O. unions. Do you know whether or not those have had any effectual influence upon simplifying the disciplinary problems?

Commander FIELD. No, sir; I do not know. I have here a copy of the proposed agreement between the National Maritime Union and the steamship companies, proposed by the union and not by the steamship companies, which I received about a month ago from the attorney for the steamship owners. This copy is not dated. I do not know whether you have it in the record or not. It is very interesting in that it shows the extreme demands that those people are making.

Senator VANDENBERG. Would it be your observation that so-called subversive influences are increasing among maritime workers and may be responsible to some degree for this new lack of willingness to be disciplined?

Commander FIELD. I am told by the steamship owners that the communistic inroads into the National Maritime Union are rather strong. I have found that Joe Curran, so-called president of the National Maritime Union, is a fairly reasonable fellow to talk to; but whenever I begin to feel any hope that he will be able to straighten out the situation and to bring his people under control, I get some discouraging statements from shipowners that Joe Curran is a figurehead and has no control; that there is a communistic influence in control; that the union is under the control of smart lawyers.

Senator VANDENBERG. Since you have mentioned Mr. Curran, I think it might be interesting, for the record, to read one paragraph from a statement which he made on December 10, somewhat bearing out your observation, Commander Field. I read:

We tried to point out that with the widespread and unfavorable publicity on the *Algie* affair and the negotiations now going on with several companies, it would be extremely dangerous to have any further sit-down strikes, which might in any way be avoided. No one can better substantiate the fact that if we don't tone down on these sections, we will be faced with a barrage of anti-union legislation than I, since I have just returned from Washington, D. C., where there are actually seventeen bills pending, which provide for arbitration, regimentation, and complete Government jurisdiction. These sit-down strikes, although in many cases legitimate, are helping the reactionaries and the shipowners to push through this union-smashing legislation.

The CHAIRMAN. I should now like to read a statement from Mr. Curran. This is from page 5, of a magazine entitled "The Triple Punch."

Tomorrow the Government may be one composed of our representatives—men and women elected by the labor unions—then the seamen will come into their rightful inheritance of a just share in America's wealth and the formation of her policies.

But until that day, we must beware. We must always be on guard. Icebergs, storms, shoals, and shipwrecks will obstruct our passage. Labor racketeers are still in our ranks; the Maritime Commission and the Department of Commerce still regard us coldly; the shipowners still have their own tricky plans for our future.

The N. M. U. is now a giant but only a young giant; its bones still soft and pliable. We must guard it and keep it on "a true course." We must graft it closer to the proposed parent body of all maritime unions the National Maritime Federation—and we must keep it close to the present mother of progressive unionism—the C. I. O.

Therefore let every N. M. U. member constitute himself, or herself, a guardian of their union's welfare. Let every member nourish the N. M. U. organizationally and morally—and let every member never forget that the N. M. U. is a rank file organization.

I should like to ask you, Commissioner Daly, following up the question asked by Senator Vandenberg, Have you been conscious of any subversive influences in the ranks of merchant sailors?

Commissioner DALY. Will you please repeat that, Senator?

The CHAIRMAN. Have you been conscious of any subversive influences in the ranks of merchant sailors?

Commissioner DALY. Exactly; plenty of them, sir.

The CHAIRMAN. What do you mean by "plenty of them"?

Commissioner DALY. It is my opinion, Senator, that just so long as you have the union halls hiring the men, you will never get away from this condition.

The CHAIRMAN. Let me ask a question about that very thing: Is there anything in the law that permits the use of hiring halls for the employment of sailors?

Commissioner DALY. No, sir. There is something in the law that gives the shipping commissioner the right of hiring men.

The CHAIRMAN. But I am speaking about the private hiring hall.

Commissioner DALY. No, sir.

The CHAIRMAN. Are the sailors now being enlisted through hiring halls?

Commissioner DALY. It is impossible for a man to get a job unless he belongs to the hall—unless he belongs to the union.

The CHAIRMAN. I hope every member of the committee will get the significance of this question. That is one of the matters of conflict between the unions—the rank and file unions—and, let us put it, the steamship owners. I could say more than that: I could say the Government. However, the law prescribes that the shipping commissioner in the port shall supply the crew.

Is that right?

Commissioner DALY. Yes, sir.

The CHAIRMAN. But under this new arrangement the N. M. U. is insisting that the crews be enlisted through the hiring hall which is an establishment of the N. M. U.

What did you say would happen so long as that exists?

Commissioner DALY. As long as you have this trouble, you are putting the balance of power into the hands of the union. The companies would not hire a man, no matter how badly they needed him. The question of a man's efficiency does not begin with the company at all; it begins with the thought in the mind of the union that he is a union man.

Senator VANDENBERG. Have the companies contracted away their independence? Are these hiring halls part of the contracts that the companies signed with the unions?

Commissioner DALY. No, sir; they just agreed, as a result of the last strike trouble, that they would take the men through the union hiring halls. There is only one company that made any agreement in New York, and that is the Black Diamond Line.

Commander FIELD. They have got to take the men from the union. The hiring hall does not come into the agreement whatsoever.

Commissioner DALY. Oh, yes. The company officials are not allowed to hire any men on the pier or through the superintendent's office; they must come through the hiring halls. In addition to that, there is the rotary system.

We have three or four thousand men out of work in the port of New York. It is impossible for those men to get a job until their numbers are called. It does not matter what the qualifications of a man is or what his efficiency is; it does not make any difference that a man is honest and that his conduct and ability are good; if he is a union man, he is taken. We have in New York a number of men who have standing in ability and conduct with the companies, about whom the companies know and we know, but it does not make any difference. If he has had long service and is on the beach, the union does not let the man go out; the men at the top of the roll must be taken first.

Commander FIELD. The evil of that is not that the surplus is getting employment but that the man who has been with a company or in a ship for a long time and has developed an efficiency and a loyalty is taken out of the ship and an inexperienced man is put in his place.

Senator VANDENBERG. What do you mean by "taken out of the ship?" How is he taken out of the ship?

Commander FIELD. When the ship comes in, the union says, "You have had a job; you come out and go to the foot of the line." Then they take this fellow from the top of the line, who has been waiting for a job, and send him out.

Senator VANDENBERG. Do you mean that every time a ship completes a journey, this process is started all over again?

Commander FIELD. I am not familiar with the details of how it is done, but that is what the rotating system amounts to. The man who has had employment comes out and goes to the foot of the list, and the man at the head of the list takes his place.

Senator VANDENBERG. Do you mean to say that it is impossible for a man to have a continuous job for 10 years in a ship?

Commander FIELD. That would be impossible under the system which the union is trying to make effective. It has not been fully successful in all cases. I believe there have been some lines that were still able to keep their crews.

Commissioner DALY. They are developing that system, but, as the commander has said, they have not got it perfected yet in New York, although they are working on it.

Senator MALONEY. Did you say that there was one line that signed such an agreement with the men?

Commissioner DALY. Yes, the Black Diamond Line.

Senator MALONEY. Where does that line run to?

Commissioner DALY. To Holland.

Senator MALONEY. Just to Holland?

Commissioner DALY. Yes, from New York to Holland.

Senator MALONEY. Have you any idea of how many ships that line has?

Commissioner DALY. I believe they have 10 vessels.

Senator GIBSON. That is the contract that Curran testified was very advantageous to the union.

The CHAIRMAN. You may recall that I placed in the record a letter from a man named Daniel B. Irwin. That was on the Black Diamond Line.

According to the testimony of the C. I. O. witness, after the contract was signed and in force, this new arrangement, he said, was satisfactory.

Senator GIBSON. That is my understanding of the situation.

The CHAIRMAN. I would like to read to you the law about hiring men. This is from 46 United States Code 545:

Shipping officers: The general duties of a shipping commissioner shall be:

First. To afford facilities for engaging seamen by keeping a register of their names and characters.

Second. To superintend their engagement and discharge in manner prescribed by law.

Third. To provide means for securing the presence on board at the proper times of men who are so engaged.

Fourth. To facilitate the making of apprenticeships to the sea service.

Fifth. To perform such other duties relating to merchant seamen or merchant ships as are now or may hereafter be required by law.

Commissioner Daly, are you carrying out this provision of the law?

Commissioner DALY. In entirety, sir; everything that is down as our duties is carried out.

The CHAIRMAN. Do you engage seamen?

Commissioner DALY. No, we keep a register of seamen who are looking for jobs in our shipping service.

The CHAIRMAN. Do you superintend their engagement and discharge?

Commissioner DALY. Only so far as the articles are concerned.

The CHAIRMAN. Are you providing means for securing their presence on board?

Commissioner DALY. By placing on the articles the time that the man has got to join ship.

The CHAIRMAN. What are you doing about the making of apprenticeships?

Commissioner DALY. Absolutely nothing.

The CHAIRMAN. Why not?

Commissioner DALY. The cadets are the only apprentices we are hiring at the present time, and they are being hired through the companies.

Commander FIELD. But is it not a fact that there are no apprenticeships now?

Commissioner DALY. Only the cadets.

The CHAIRMAN. Can a graduate of one of the merchant marine schools get a job aboard ship?

Commissioner DALY. Yes.

The CHAIRMAN. How does he get it?

Commissioner DALY. Do you mean a man who is graduated from a schoolship?

The CHAIRMAN. Yes.

Commissioner DALY. He gets it from the company.

The CHAIRMAN. He first joins the union?

Commissioner DALY. Yes; if he is going as an able seaman or fireman.

The CHAIRMAN. If he does not join the union, can he get a job?

Commissioner DALY. No, unless he is a licensed officer; then he belongs to the licensed men's organization.

The CHAIRMAN. You were talking about the subversive influences, Commissioner. Have you seen evidence of subversive influences?

Commissioner DALY. Well, I will tell you. Every ship carries three delegates—one in the deck department, one in the engine department, and one in the steward's department. Those delegates may be experienced men or they may be men who have had only 6 to 12 months at sea.

The CHAIRMAN. You say they are delegates. Do you mean delegates of the union?

Commissioner DALY. Of the N. M. U.

The CHAIRMAN. They are chosen by the union?

Commissioner DALY. Yes.

The CHAIRMAN. They are chosen not at all with reference to their service?

Commissioner DALY. No; they are chosen to be delegates aboard ship, to keep the men in line with union policies, to check up from time to time, to help them in case they have any trouble with anybody, and to represent them before the masters.

Senator MALONEY. What else do they do aboard ship?

Commissioner DALY. Oh, they work aboard ship.

Senator MALONEY. As members of the crew?

Commissioner DALY. As members of the crew, maybe as firemen, water tenders, oiler, able seamen, or quartermasters. In some cases they are put aboard by the union; in other cases they are elected by the crew when the crew is assembled aboard ship.

Senator VANDENBERG. Do they assume to have any authority superior to that of the captain?

Commissioner DALY. Well, it is only just the authority they get through being delegates.

Senator VANDENBERG. What does that include?

Commissioner DALY. It just means that some of them are drunk with power and assume that authority.

Senator DONAHEY. They do have control over the men or the crew?

Commissioner DALY. Yes.

The CHAIRMAN. What does the captain do now? Does he just give in to those delegates?

Commissioner DALY. Well, some of the matters that come before him may be treated on a common-sense basis, and some of them may involve a violation of law. He reports in his log book if anything happens through their interference, but there is nothing that he can do about it; there is absolutely nothing that he can do about it except to order the men to go back to their work under the conditions named in the articles.

Commander FIELD. I do not know much about it, myself, but I have heard a good deal lately about union officials—perhaps these delegates trying members of the crew for matters which have come up in the performance of their duties on board ship. I have heard

that when a man breaks some union rule a court made up of the crew—representatives of the union—will try him in ship for breaking the union rules or possibly for some other matter which should have come under the captain's jurisdiction.

The CHAIRMAN. Do they sometimes try the captain?

Commander FIELD. I have not heard of that.

The CHAIRMAN. You have heard of no case where they tried the captain?

Commander FIELD. No, sir.

The CHAIRMAN. Have you, Commissioner?

Commissioner DALY. Yes; I have, but I sifted that case down in the port of New York for weeks, but I could never find the origin.

The CHAIRMAN. Does not the captain know whether or not he was tried?

Commissioner DALY. We could never find the captain or trace the name of the ship.

Senator MALONEY. I am very sorry, Mr. Chairman, that I could not be present at the previous hearing, but I was in attendance at the hearings on the Housing Bill, so I wonder if I may ask the commander for some information.

The CHAIRMAN. Certainly.

Senator MALONEY. Commander Field, if I may ask, what was your position before you took over your present assignment?

Commander FIELD. I just came from the active list of the Navy, sir.

The CHAIRMAN. Commissioner Daly, you spoke about the evil, or the effect I should say, of the hiring hall upon your work and upon the discipline aboard ship. What did you mean by that?

Commissioner DALY. Well, Senator, for 18 years I was the local manager and shipping master of the ship service of the old Sea Service Bureau.

The CHAIRMAN. Under Mayor Kline?

Commissioner DALY. Under Mayor Kline. I had formerly worked for the old Morgan Line and was chosen as the man in New York to organize that bureau there. We had cases of infractions of discipline, but the men were always under control. The man that was commissioner before me for possibly 12 years never did have a major case. I have now been commissioner for two years and a half, but I have conducted well over 250 cases.

Senator VANDENBERG. What do you mean by a major case?

Commissioner DALY. Well, nothing that was in any way mutinous; not the "President" cases.

Senator MALONEY. Do you mean that you have had 250 mutinous cases?

Commissioner DALY. No, minor cases.

Senator GIBSON. Not mutinous cases?

Commissioner DALY. We had a case on the *California*, but it never reached the mutinous stage. That was handled through the United States attorney. It was never pronounced a mutinous case.

The CHAIRMAN. Commissioner, is it not true that, as far as you know, the unions have demanded that all unlicensed personnel should be hired exclusively through the union hiring halls?

Commissioner DALY. Yes, sir.

The CHAIRMAN. The objections to that, I take it, are that the experienced and local employees, because of the rotating system, would be displaced?

Commissioner DALY. Yes, sir.

The CHAIRMAN. That is one objection?

Commissioner DALY. Yes.

The CHAIRMAN. Then, everybody has to join the union?

Commissioner DALY. Yes, sir.

The CHAIRMAN. The company must consent to the discharge at once of any or all employees not joining or being members of the union?

Commissioner DALY. The delegation won't allow the ship to sail. If there is a man aboard who is not a union member, they won't permit the ship to be moved.

The CHAIRMAN. We shall place in the record at this point a statement issued by the United States Lines Co. under date of December 22, 1937, entitled, "An important message to the men who man our ships." It points out from the owner's standpoint the evils of the hiring hall.

(The document referred to by the chairman is to be inserted in the record at this point.)

AN IMPORTANT MESSAGE TO THE MEN WHO MAN OUR SHIPS

United States Lines Company, One Broadway, New York, N. Y.

FACTS CONCERNING THE CLOSED SHOP, THE UNION-OPERATED HIRING HALL, AND THE ROTATING SYSTEM OF EMPLOYMENT

It is not true that negotiations between the United States Lines and the National Maritime Union over a contract covering wages and working conditions have been blocked by the company, as union officials say. It is true, however, that the company has rejected the union's demands that the company obtain all unlicensed personnel through the union hiring hall exclusively. This provision has been rejected because consent by the company would result in a closed shop and a rotating system of employment.

Not all of our employees seem to realize what a closed shop means, nor are they fully aware of how they will be affected by a rotating system of employment.

Therefore, we say to the men who man our ships that if we agreed to the closed shop:

1. We would quickly lose our experienced and loyal employees, because of the expressed statement by the National Maritime Union that it planned to rotate seamen in the entire industry.

2. We would thereby become a party to compelling everyone of you to join the Union and to pay whatever dues it cared to assess upon you whether you wished to join and pay dues or not.

3. We would be practically consenting to the discharge at once of any or all of you who did not wish to join and pay dues to the union. This company has always refused to discharge any employee unless he or she proved unwilling or unable to do the work assigned to him or her.

4. We would also be forced to discharge at once any one of you who, though you wished to join the union might for some reason be considered unacceptable for membership by the union officials or who might be expelled justly or unjustly from the union.

Such discharge would be unfair to those of you who have proved yourselves faithful employees for many years.

5. We would, in short, have to turn the entire control of your job and your future over to a union which can change its representatives and which assumes no legal or other responsibility to you, to the Government, or to anybody else.

The United States Lines has built up its reputation with the traveling public, not with monster ships or super speed ships, but by its fine accommodations, food and service to passengers, and to agree to a closed shop would very quickly

The CHAIRMAN. Do you feel that that was an important case and that it was unfortunate that there was not some way of dealing with it?

Commander FIELD. I certainly do.

The CHAIRMAN. You said a while ago another thing that struck me. You said that we do not need more law; that there is plenty of law. If there is plenty of law, why could you not deal with that case?

Commander FIELD. Well, the elements of that case were like this: The ship was supposed to sail the next day. At noon on this particular day the steam was turned off for the winches, and all the officers of the ship, with the exception of the master and the chief engineer, told the captain that they had been required to work overtime for which they had had no recognition and had received no assurances that they would be paid; that the custom in that ship on voyages similar to the one on which she was about to embark involved considerable overtime work on the part of the officers; and that unless they were assured that they would be paid for their overtime and would not be required to work overtime except with their own consent, they were not going to sail that ship.

If the captain had done what a master should do—issue an order to each one of those people to resume his duty to do so and so; give him some specific order; inform him of his rights; and he has a right to his discharge if he is dissatisfied; and to inform him of the fact that his license is hazarded if he continues in disobedience—that is what you would expect a master to do. That is the custom and tradition of the sea, and there are laws governing the case.

Instead of that, the captain just threw up his hands and did nothing. At intervals he would call the men up to his room and say, "What are you going to do?" They would say, "We are waiting until you settle our question of overtime."

Certainly as a person who has been to sea and is familiar with discipline, if I could have tried that case in my own mind and reached the decision—you might call it a curbstone decision—I would have found those people guilty of technical disobedience of orders because they stopped work and thereby interfered with the movements of the ship to the hindrance of commerce, as it is expressed in one place in the law.

The CHAIRMAN. Is there something specific in the shipping articles about what they have to do?

Commander FIELD. Yes.

The CHAIRMAN. If a man signs shipping articles, when he goes on the ship he is expected to be obedient?

Commander FIELD. Yes; and if they have any grievance, they shall make it known in an orderly manner to the captain.

Senator VANDENBERG. Has your entire experience been in United States Navy ships?

Commander FIELD. Yes.

Senator VANDENBERG. I wonder if you are in a position, then, fully to appreciate what the commander in the private merchant marine is up against.

Commander FIELD. No, sir; I have never been to sea as an officer of the merchant marine.

Senator VANDENBERG. You have been clothed with an authority which is far superior to anything that these gentlemen probably feel they possess; is that not true?

Commander FIELD. Yes. A merchant marine officer, who is also a member of the Naval Reserve, told me not long ago that he had recently made a 2-weeks' practice cruise in a Navy ship. He said, "It was astonishing to me to see that whenever an officer told a man to do something, it was immediately done without any question."

Senator VANDENBERG. Do you remember the question I asked the Commissioner? Would you answer that question in the same way he did about safety at sea?

Commander FIELD. Yes, sir. If the conditions as they exist today are allowed to continue to get worse, they will seriously affect the safety of life at sea.

Senator VANDENBERG. All right. Then what would you recommend that we do to stop that trend?

Commander FIELD. I wish I knew the answer to that.

Senator VANDENBERG. Suppose you think that over and answer it a little later.

Commander FIELD. All right.

Senator VANDENBERG. May I ask you this: Was there any protest received in your Bureau in connection with the recent accident to the *President Hoover*?

Commander FIELD. No, sir. As soon as the *President Hoover* was grounded and it was apparent that the ship was going to be a total loss, we made plans and ordered an investigation board to meet in San Francisco. That board is now ready to conduct an investigation into the grounding of the ship. An assistant director of the Bureau has gone out there to be present when the first contingent of the crew arrives about the 7th of January.

Incident to the grounding of the ship, and after some passengers and members of the crew had been taken to Manila, we saw statements in the press that some passengers had stated that after the ship had grounded some members of the crew had broken into the ship's bar, taken some liquor, and got drunk; and that while the passengers and part of the crew were on the little island where the ship grounded, some members of the crew had conducted themselves in an unbecoming manner in the presence of the passengers.

Senator VANDENBERG. And even threatened to molest some of the women passengers?

Commander FIELD. There was some hint to that effect.

Senator VANDENBERG. Yes.

Commander FIELD. Then I arranged through the War Department as to Manila and through the State Department as to Hongkong to question passengers and crew members not in connection with the navigation of the ship but as to alleged cases of misconduct on the part of anybody; and that in the event they found anyone with any derogatory remarks, to get a sworn statement, the idea being to obtain these statements as soon as possible, in order to aid us in the conduct of the investigation which we will have when the substantial part of the personnel gets back to the United States.

The reply that I got from Manila was that all crew members had left there but that of six passengers interviewed, three reported minor incidents of misconduct on the part of the crew. I have yet to get through the State Department the results of interviews which the consul at Hongkong has undoubtedly secured by now. At any rate, we have not got them as yet. There was a large number of passengers

The CHAIRMAN. Do you feel that that was an important case and that it was unfortunate that there was not some way of dealing with it?

Commander FIELD. I certainly do.

The CHAIRMAN. You said a while ago another thing that struck me. You said that we do not need more law; that there is plenty of law. If there is plenty of law, why could you not deal with that case?

Commander FIELD. Well, the elements of that case were like this: The ship was supposed to sail the next day. At noon on this particular day the steam was turned off for the winches, and all the officers of the ship, with the exception of the master and the chief engineer, told the captain that they had been required to work overtime for which they had had no recognition and had received no assurances that they would be paid; that the custom in that ship on voyages similar to the one on which she was about to embark involved considerable overtime work on the part of the officers; and that unless they were assured that they would be paid for their overtime and would not be required to work overtime except with their own consent, they were not going to sail that ship.

If the captain had done what a master should do—issue an order to each one of those people to resume his duty to do so and so; give him some specific order; inform him of his rights; and he has a right to his discharge if he is dissatisfied; and to inform him of the fact that his license is hazarded if he continues in disobedience—that is what you would expect a master to do. That is the custom and tradition of the sea, and there are laws governing the case.

Instead of that, the captain just threw up his hands and did nothing. At intervals he would call the men up to his room and say, "What are you going to do?" They would say, "We are waiting until you settle our question of overtime."

Certainly as a person who has been to sea and is familiar with discipline, if I could have tried that case in my own mind and reached the decision—you might call it a curbstone decision—I would have found those people guilty of technical disobedience of orders because they stopped work and thereby interfered with the movements of the ship to the hindrance of commerce, as it is expressed in one place in the law.

The CHAIRMAN. Is there something specific in the shipping articles about what they have to do?

Commander FIELD. Yes.

The CHAIRMAN. If a man signs shipping articles, when he goes on the ship he is expected to be obedient?

Commander FIELD. Yes; and if they have any grievance, they shall make it known in an orderly manner to the captain.

Senator VANDENBERG. Has your entire experience been in United States Navy ships?

Commander FIELD. Yes.

Senator VANDENBERG. I wonder if you are in a position, then, fully to appreciate what the commander in the private merchant marine is up against.

Commander FIELD. No, sir; I have never been to sea as an officer of the merchant marine.

Senator VANDENBERG. You have been clothed with an authority which is far superior to anything that these gentlemen probably feel they possess; is that not true?

Commander FIELD. Yes. A merchant marine officer, who is also a member of the Naval Reserve, told me not long ago that he had recently made a 2-weeks' practice cruise in a Navy ship. He said, "It was astonishing to me to see that whenever an officer told a man to do something, it was immediately done without any question."

Senator VANDENBERG. Do you remember the question I asked the Commissioner? Would you answer that question in the same way he did about safety at sea?

Commander FIELD. Yes, sir. If the conditions as they exist today are allowed to continue to get worse, they will seriously affect the safety of life at sea.

Senator VANDENBERG. All right. Then what would you recommend that we do to stop that trend?

Commander FIELD. I wish I knew the answer to that.

Senator VANDENBERG. Suppose you think that over and answer it a little later.

Commander FIELD. All right.

Senator VANDENBERG. May I ask you this: Was there any protest received in your Bureau in connection with the recent accident to the *President Hoover*?

Commander FIELD. No, sir. As soon as the *President Hoover* was grounded and it was apparent that the ship was going to be a total loss, we made plans and ordered an investigation board to meet in San Francisco. That board is now ready to conduct an investigation into the grounding of the ship. An assistant director of the Bureau has gone out there to be present when the first contingent of the crew arrives about the 7th of January.

Incident to the grounding of the ship, and after some passengers and members of the crew had been taken to Manila, we saw statements in the press that some passengers had stated that after the ship had grounded some members of the crew had broken into the ship's bar, taken some liquor, and got drunk; and that while the passengers and part of the crew were on the little island where the ship grounded, some members of the crew had conducted themselves in an unbecoming manner in the presence of the passengers.

Senator VANDENBERG. And even threatened to molest some of the women passengers?

Commander FIELD. There was some hint to that effect.

Senator VANDENBERG. Yes.

Commander FIELD. Then I arranged through the War Department as to Manila and through the State Department as to Hongkong to question passengers and crew members not in connection with the navigation of the ship but as to alleged cases of misconduct on the part of anybody; and that in the event they found anyone with any derogatory remarks, to get a sworn statement, the idea being to obtain these statements as soon as possible, in order to aid us in the conduct of the investigation which we will have when the substantial part of the personnel gets back to the United States.

The reply that I got from Manila was that all crew members had left there but that of six passengers interviewed, three reported minor incidents of misconduct on the part of the crew. I have yet to get through the State Department the results of interviews which the consul at Hongkong has undoubtedly secured by now. At any rate, we have not got them as yet. There was a large number of passengers

and crew at Hongkong at that time. A consignment of about 80 is going to arrive in San Francisco on the 7th of January, and 52 more will arrive in Seattle on the 19th of January. We are prepared to interview them and to hold such of them as seem to be material witnesses.

Senator VANDENBERG. In other words, you propose to go to the bottom of that entire situation?

Commander FIELD. Yes, sir. The principal thing, as it would appear from what we have heard, is the loss of this very valuable ship. We must inquire as to whether or not the master and the officers responsible for the navigating of the ship have been guilty of neglect, unskillfulness, and so forth, in the loss of that ship. Whatever incidents of misconduct, aside from the main issue of the loss of the ship, may develop in the course of this investigation will also be handled.

I believe—of course, it does not make any difference what I believe—that a good deal of that is exaggeration.

The CHAIRMAN. You believe what?

Commander FIELD. I believe that a good deal of that report of the activities of the crew is exaggeration, but that does not mean that I am going to be any less careful in making a thorough investigation of it.

Senator VANDENBERG. Undoubtedly there is hysteria in a situation of that kind. That is understandable. But suppose you were to find cases authenticated along the line of these advance stories. What would happen?

Commander FIELD. As to the misconduct of men?

Senator VANDENBERG. Yes.

Commander FIELD. As far as the action which I am authorized by law to make is concerned, if there has been any misconduct or negligence or unskillfulness on the part of the personnel while acting under the authority of their license, as the law says, then, after trial, I am authorized to suspend or revoke their licenses; but wherever any criminality is indicated, we turn that over to the Department of Justice.

Senator MALONEY. Is there in the Department of Justice a particular branch having to do with maritime affairs?

Commander FIELD. No, sir; not exactly; but there is an Assistant Attorney General who looks out for all criminal proceedings.

Senator VANDENBERG. You leave me with one great perplexity. First you agree with the Commissioner that if the present trend toward break-down in discipline is not checked it will ultimately seriously involve the safety of life at sea. Having made that statement, you tell me you would not know what recommendation to make to us to assist in the correction of those trends. Then, in the same breath, you say that the existing law is sufficient.

Commander FIELD. I believe it is, sir. I believe that as soon as we can get control of this situation, get action on these trials, get them properly acted on and promptly acted on, we will be able to revoke or suspend the licenses of these sit-down strikers. That, I think, will go a long way toward correcting the situation.

Senator DONAHEY. Do you have any authority over the masters of ships?

Commander FIELD. Yes, sir.

Senator DONAHEY. If they lack intestinal fortitude, you can remove them, can you?

Commander FIELD. Not necessarily on that ground.

Senator DONAHEY. You gave a very fine example of that a while ago when you mentioned the incident in the Canal Zone.

Commander FIELD. He has got what appears to be a very good defense in that he says that his command has been taken away from him by the action of the union.

Senator DONAHEY. They would not take it away from you without a fight if you were commander of that ship, would they?

Commander FIELD. No, sir.

The CHAIRMAN. Do you have to do with the enforcement of the articles of agreement? That is to say, could you in the trial of a case before your bureau give consideration to the fact that the articles of agreement have been violated?

Commander FIELD. Yes; of course.

The CHAIRMAN. The articles of agreement state:

And the said crew agree to conduct themselves in an orderly, faithful, honest, and sober manner, and to be at all times diligent in their respective duties, and to be obedient to the lawful commands of the said master, or of any person who shall lawfully succeed him, and of their superior officers in everything relating to the vessel, and the stores and cargo thereof, whether on board, in boats, or on shore; * * * And it is also agreed that if any member of the crew considers himself to be aggrieved by any breach of the agreement or otherwise, he shall represent the same to the master or officer in charge of the vessel, in a quiet and orderly manner, who shall thereupon take such steps as the case may require.

I suppose that when you dealt with the case of the *Atlantic* and the failure of those men on board to do their duty, you gave consideration to the law as it is and to the articles of agreement?

Commander FIELD. Yes, sir.

The CHAIRMAN. It has been proposed to me by one in authority in the Government that there should be an addition to the maritime laws in order that the Government may deal effectively with sit-down strikes. The proposal is as follows:

1. Any two or more members of the crew of any merchant vessel of the United States, on the high seas, or on any other waters within the admiralty or maritime jurisdiction of the United States, who shall, by agreement or concert of action resist, refuse to obey, or by inaction refuse to carry out any lawful order or command of the master or other officer of such vessel, or refuse or neglect to perform their proper duties, or refuse or neglect to comply with the terms of their shipping articles, or other agreement for employment, shall be imprisoned not more than ---- months.

Suppose that had been in the law. These employees of the ship *Atlantic* neglected to perform their proper duties, did they? Was it the duty of the engineer to keep the steam on and to do certain things?

Commander FIELD. Yes, sir, you can say that they neglected to perform their proper duties.

The CHAIRMAN. As I see it, the enlarged power lies mostly in that: That there is neglect of duty, not alone that there is refusal to do the same, or that there was neglect of the captain to issue orders; it is the actual neglect of the employees of the ship to do what they should do under the shipping articles.

Would it have been possible for you to go forward more energetically if you had had this much more law?

Commander FIELD. I think possibly so, yes, sir. There is always the question there of what is a lawful order.

Senator MALONEY. Commander, this will probably be difficult or embarrassing for you to answer, but I should like to have some sort of answer if you can give it to me.

Do you think that any of the shipowners or operators, through neglect of the men on the ship, are in any way responsible for these conditions?

Commander FIELD. That was generally recognized to be the fact in the past. Almost everyone who knows about maritime labor conditions will tell you that the situation leading up to the organization of this rank and file union which has developed into the N. M. U. and which has become so powerful in the last year or two was brought about by lack of foresight and lack of regard for the welfare of the men, giving them as low pay as they could, and giving them bad quarters on board ship over a period of a good many years.

I believe, from the indications that I have seen, that the owners have now been brought to proper terms and conditions in regard to such things are being exploited beyond what is proper.

Senator MALONEY. How recently has that corruption you assume taken place?

Commander FIELD. I would say within the last 3 years, sir, in a great many cases.

Senator MALONEY. You do not mean to say that for the last 3 years, for the last 2 years, or even for the last year conditions on all of these ships have been proper for the men, do you?

Commander FIELD. No, sir; I would not state that.

Senator MALONEY. It is still pretty sad in some instances?

Commander FIELD. Yes. There may be instances where the conditions are bad, but the demands of the crews in the last few years have extended to trivialities. They want ice cream freezers, or they want coffee percolators. When they are demanding those things and getting them, you may be sure that they have already covered the matter of proper bunks, proper toilets, and shower-bath facilities. I would not want to say, however, that the living conditions in all ships are all that they should be.

Senator MALONEY. Some of them right now, I have been told by people high in authority in the Government, are still pretty sad.

Commander FIELD. I have no doubt there are some that are that way.

The CHAIRMAN. I think that what Senator Maloney has said is true, but the pathetic thing about it is that those physical conditions on a ship are due to a great extent to the wartime conditions under which those ships are built. Most of those ships that are bitterly complained of are old Shipping Board ships and did not give any regard to the crews.

As a result of our investigation into the *Moro Castle* disaster, we had two technical committees; one presided over by Admiral Rock, which committee has formulated rules of construction which are now to be used in the construction of all our ships. As I have already explained to you, the sister ship of the *Queen Mary* is to be built according to those rules.

More than that, under Admiral Hamlet, who is here this morning, the other committee—the personnel committee—went very extensively into the matter of living conditions of crews.

This is going to take a long time, and indeed so far as some ships are concerned they will never be corrected. The crowded quarters, insanitary conditions, and unhygienic conditions under which these men live can never be corrected until those ships are entirely remodeled.

The ships which Mr. Kennedy and his group are now building will afford all of those facilities, but it is physically impossible to remodel these older ships with a view to improving the crew quarters without utterly destroying all freight capacity.

Senator MALONEY. It is a shame that the Government subsidizes that kind of ship. I think that no one has been more concerned with the welfare of the men who work on the ships than you have been, Mr. Chairman.

The CHAIRMAN. I am glad to hear you say that, because it offsets the "picketing" of the sailors who say that I have not done what you say I have done.

Senator MALONEY. If they had attended the meetings of this committee for the last few years, they would not feel that way.

The CHAIRMAN. A prominent member of the Senate told me the other day that I received a lot of bricks and clubs that I did not deserve, but I do not care about that. If we can build up a merchant marine, that is what I am interested in doing.

Senator MALONEY. I am distressed by the conditions which prevail and would like to see something done about them. I hope that we will not overlook the fact that these men have been subjected, in some instances, to conditions that amount to serfdom.

The CHAIRMAN. No honest man can take any other view.

Senator GIBSON. I think the conditions spoken of by the Senator from Connecticut exist on ships recently built.

The CHAIRMAN. That is, on board ships that were built under the Jones-White Act?

Senator GIBSON. Yes.

The CHAIRMAN. I think that is true, but that will not be the case in all ships built from this time forward. I think it was a crime against humanity that greater consideration was not given to the living conditions of the sailors. It has not been right at all. I have no excuse to make for anybody, so far as that is concerned.

Senator GIBSON. Is it not true that on the *Manhattan* and on the *Washington* the crews are living under bad conditions?

The CHAIRMAN. I think it has been true until, as the Commander has said, very recently.

Senator GIBSON. Possibly a better word to use would be "crowded" conditions.

The CHAIRMAN. I think there have been improvements in that respect, but we still have much to expect.

Commander Field, have you something more to add?

Commander FIELD. I think not.

The CHAIRMAN. I want to ask about these three other cases, so that we will have all of them in the record. The ninth one was this:

On September 4, 1937, the Consul at Yokohama, Japan, reported the disorderly conduct of members of the crew of the S. S. *President Hoover*, growing out of drunkenness on shore. He said "Previous cases have brought American seamen and shipping into disrepute in the eyes of the community and of the people and officials of Japan" and said that it was becoming increasingly difficult to obtain cooperation from police.

Have you anything relating to that?

Commander FIELD. I have the same report. Seven members of the crew of the S. S. *President Hoover* failed to join ship when it sailed on September 3, 1937. They were in trouble there. The Consul got them out of trouble and placed them in steerage passage on board

the *President McKinley* for return to the United States. The men said that the steerage was not good enough for them and demanded a better class of accommodations. When it was denied to them, they went ashore, which was against police restrictions, and caused more trouble with the police.

I found nothing in the report to indicate the final disposal of those men. It may be that they had got back aboard the *President McKinley*.

The CHAIRMAN. The *President Hoover*?

Commander FIELD. No, sir; they were placed in steerage on the *President McKinley* after the *President Hoover* had sailed.

The CHAIRMAN. Oh, yes.

Commander FIELD. This was just one of those cases of misconduct ashore which does not come within the jurisdiction of our bureau.

The CHAIRMAN. The articles of agreement speak about being on shore?

Commander FIELD. They speak of the stores of the ship.

I have a few more of these incidents.

The CHAIRMAN. Let me give you these remaining two, and then I shall be through with what I have.

The tenth one reads:

On September 26, 1937, the Consul at Havre, France, reported a sit-down strike on the S. S. *Nashaba*, then in dry dock at that point. His investigation disclosed that the conduct and complaints of the crew were entirely unjustified. He went into some detail as to the conditions obtaining. This he did in detail because he wanted to "bring to the Department's attention the increasing disregard for discipline and spirit of unrest which is unfortunately being manifested among crews of American vessels and the trivial and insignificant pretext on which a strike movement on board an American vessel in a foreign port may be based."

Have you any information about that?

Commander FIELD. Captain Merrill tells me that is being investigated and will be gone into fully as soon as the ship returns to the United States.

The CHAIRMAN. The eleventh case is the case of the *Algic*, in which there already have been convictions.

Did you say that you had some other matters, Commander Field?

Commander FIELD. Here is an example of a vague report that we got. It was postmarked at Hamburg, was addressed to the Secretary of Commerce, was not dated, was received in the Department on December 2, 1937, and was signed by six persons, presumably the officers, in which is made a general plea for betterment of conditions. One paragraph says:

Please relieve us of our oaths or do something to put our merchant service on sounder foundations. With the conditions as they exist today no American ship can operate safely or successfully.

We are pleading to you to do something or we may as well give up this feeble attempt of ours to have an American merchant marine service.

As officers, we are tired of being looked upon as clowns for every other maritime nation on earth. If a little alien, namely, Harry Bridges, and others of his type, are going to run our ships, why should we go to the trouble of examinations for officers' licenses, the issuance of which should invest some respect and obedience.

We have reached the end and are pleading to you. For God's sake do something before conditions get much worse, if that is possible.

Senator MALONEY. That is from officers?

Commander FIELD. Presumably; yes, sir.

The CHAIRMAN. Commander, is it not a fact that many of the masters and most of the officers belong to the Masters', Mates', and Pilots' Union or the Marine Engineers' Beneficial Association, affiliated with the labor federations?

Commander FIELD. Yes, sir.

The CHAIRMAN. In consequence, are they not bound to carry out the union activities of the seamen?

Commander FIELD. To what extent the officer is hampered by the union activity, I am not thoroughly familiar. The officers' union is a separate union and is affiliated, in some cases, with the same master organization that the N. M. U. is affiliated with.

The CHAIRMAN. Is it not a new thing for a master of a ship to become a member of a union?

Commander FIELD. I will ask Mr. Sanders. Are masters generally members of a union?

Mr. SANDERS. No; not as a rule.

The CHAIRMAN. Is it not a new thing that they are joining a union?

Mr. SANDERS. Yes.

The CHAIRMAN. The answer is "yes"?

Commander FIELD. Yes; within the last 18 months.

The CHAIRMAN. Have you any knowledge of whether or not those members were physically forced to join the union?

Mr. SANDERS. It has been stated that their families had been threatened if they did not join, and while they were at sea. Of course, that I could not prove. We do know of cases that have been tried, and it was found that the families had been threatened. We had such a case up near where you live, Senator.

The CHAIRMAN. Yes; up near Spring Valley.

Senator VANDENBERG. Do you mean that a man has been tried in court?

The CHAIRMAN. Yes; and the chief defendant committed suicide to save his union from embarrassment.

Have you any more to add, Commander?

Commander FIELD. No, sir.

The CHAIRMAN. Commissioner Daly, have you anything more to say?

Commissioner DALY. The fact that the licensed officers—the deck officers, engineers' officers, and radio operators—went on the picket line together during the strike in New York has brought about a feeling of comradeship, and, of course, that creates an atmosphere in which it is very difficult to maintain discipline.

Senator VANDENBERG. The captains and the other officers?

Commissioner DALY. I would not say the captains.

The Chairman. Officers.

Commissioner DALY. The chief mates, second mates, third mates, chief engineers, some first assistants, second and third—

The Chairman. They were on the picket lines?

Commissioner DALY. On the picket lines.

Senator GIBSON. All groups under captain or master?

Commissioner DALY. Yes.

Senator VANDENBERG. I know of a captain who was forced to picket his own ship in San Francisco.

Commissioner DALY. Yes.

The CHAIRMAN. Have you anything else to add?

Commissioner DALY. I concur with you on the conditions that we had up to 1934. The conditions aboard ships were terrible. Wages were down as low as \$17.50 and \$20 a month. We had licensed men and captains going out as able seamen and quartermasters. We had chief engineers going out as oilers and water tenders. Unlicensed men were paid as little as \$17.50 a month. The shipowner has always been his worst enemy. This might be considered retribution, or the men getting back into power.

The CHAIRMAN. Do your experience and memory go back to the time when seamen had the power that they now have?

Commissioner DALY. No, sir; not at all.

Senator MALONEY. They never had any power in the old days. They had no power at all if they got only \$17.50 a month.

The CHAIRMAN. May I ask you, Admiral Hamlet, if you investigated any of these complaints from members of crews?

Admiral HAMLET. We looked into them and studied them; yes, sir.

The CHAIRMAN. How many were there?

Admiral HAMLET. About 100 separate ones. Many of them were repetitions.

Captain JOYCE. Even among that hundred there were a number of reports of the same incident, so there were probably 90, or something of that sort.

The CHAIRMAN. Is it or is it not a fact that these complaints were submitted by the Bureau to your committee, Admiral, and were all given consideration?

Admiral HAMLET. Yes, sir; we gave them consideration.

The CHAIRMAN. You received reports at that time from Mr. Weaver?

Admiral HAMLET. Yes, sir; we had Mr. Weaver over here.

The CHAIRMAN. Did your investigation find that most of these reports were substantial or otherwise?

Admiral HAMLET. Most of them were trivial.

Senator THOMAS of Utah. May I ask one question that is bothering us all the time?

The CHAIRMAN. Yes.

Senator THOMAS of Utah. We are faced with the word "Communist" whichever way we turn in most of our labor legislation. Is there in existence now a Communist ship? Have you ever seen one?

Commissioner DALY. No, sir; I have only heard of one, and that was where the crew was supposed to have taken the authority away from the master and compelled the master to pay a sum of money for a communistic purpose. As I said before, we sifted that down for about a month in New York, and we could not find the name of the ship and we could not find the name of the master. I traced it to four or five lines, and, of course, they denied it, and I could not go any further.

Senator THOMAS of Utah. Do the ships which now fly the Russian flag have communistic rules among their sailors?

Commissioner DALY. I did visit a ship that came into New York, flying the Russian flag. I was fortunate in having a young woman aboard the ship who understood English, so I could question the crew of that ship. I found absolutely no discipline, but I believe that the crew knew what to do and did it. The mate evidently did not have to give an order. The crew knew what to do and did it. There

was no penalty imposed for any infractions or violations. The captain of the ship was not aboard, so I could not question him.

Senator THOMAS of Utah. That ship was self-disciplined?

Commissioner DALY. Self-disciplined. I figured that whatever might go wrong, there would be a report possibly turned in to the Minister of Shipping and that the men would be dealt with, but the captain did not impose penalties or speak of any penalties. The mate did not speak of penalties, and neither did the chief engineer.

Senator THOMAS of Utah. Was that ship run efficiently?

Commissioner DALY. Evidently. It was a ship of some 11,000 tons. Its name, if I remember correctly, was the *Kim*. It had a meeting room that looked like an I. W. W. room. They had a bust of Stalin, and another one of some other Russian "red." All good ideas and things of that kind were put on a bulletin board and were debated.

The ship also carried two young women who went around in white uniforms. I questioned them, and they said they were there for culture. The Russian Government felt that on long voyages the men should have female company, not in any immoral sense but for culture.

The ship had a very healthy atmosphere except that there were no orders given.

I also went below. This was a Diesel-driven ship. The members of the crew who were not working were sitting down, smoking. Of course, that would not be tolerated on a well-run ship. Those who were not sitting down or working ship were looking over the side. The mate did not seem to care.

Senator MALONEY. You just state that something would not be tolerated on a well-run ship.

Commissioner DALY. Yes.

Senator MALONEY. What was it?

Commissioner DALY. A man sitting down in the engine room when he should be working.

Senator THOMAS of Utah. Is such a ship made a model for those people who have communistic aims in our own ships?

Commissioner DALY. Well, the delegates have authority to direct the crew as to what they should do and when they should do it.

Senator THOMAS of Utah. Is there any difference between a delegate aboard ship and a delegate such as we have had in labor for a long time, called the walking delegate?

Commissioner DALY. We have never had walking delegates on board ships.

Senator THOMAS of Utah. That is entirely new?

Commissioner DALY. Yes; we did. We had a visiting delegate who came on board ship to see that the men were getting paid for what they did for overtime, and he would report to the superintendent of the company if anything went wrong.

Senator THOMAS of Utah. Did the Communist ship have a delegate?

Commissioner DALY. I do not know about that.

The CHAIRMAN. They were all delegates.

I have here a letter which I received from Assistant Secretary of Commerce Johnson, transmitting a report made by Commander Field under date of September 15, 1937. These relate to all the complaints which Curran made, matters which the seamen have been critical about. This report indicates that they have all been investigated.

The letter from Assistant Secretary of Commerce Johnson reads as follows:

SEPTEMBER 29, 1937.

Honorable ROYAL S. COPELAND,
*Chairman, Committee on Commerce,
United States Senate, Washington, D. C.*

MY DEAR MR. CHAIRMAN: I am forwarding herewith the final report of the Bureau of Marine Inspection and Navigation on the complaints filed by Mr. Joseph Curran with the Secretary of Commerce in April 1936. You will recollect that, while investigating the matters ourselves, I transmitted to you and your committee a copy of the complaints.

As the complaints were of matters on many vessels in use, it has taken a very long time to complete the investigation. Much legislation has been passed since and, of course, new regulations are in existence. The Director of the Bureau states that appropriate action has been taken in each instance.

Very cordially yours,

J. M. JOHNSON,
Assistant Secretary of Commerce.

Captain Field's report reads as follows:

102.3-9

SEPTEMBER 15, 1937.

MEMORANDUM

From: Director, Bureau of Marine Inspection and Navigation.

To: Assistant Secretary of Commerce.

Subject: Reports of investigation of complains made by striking seamen.

There are transmitted herewith, pursuant to the Assistant Secretary's written request of August 18, 1936, the results of further investigations of complaints made by striking seamen, said complaints having been submitted to the Department by Mr. Joseph Curran in April 1936.

The complains specified above, numbered from 10 to 129, inclusive, concern a total of 72 ships and 3 United States steamship lines in general. These complains are of many descriptions, but in general relate to living conditions aboard ship and to defects in lifesaving equipment. Of the total number, 50 complains concern crew's quarters, 41 complains allege deficient lifeboat drills or defective lifesaving equipment, 28 complains concern poor food, 24 complains concern hours of labor, 16 complains concern insufficient or unsatisfactory crew, and the remaining complains relate to miscellaneous subjects.

Traveling inspectors from the Bureau made investigations of many of the complaints, actually making voyages on the vessels and examining the various compartments and crew quarters and conducting drills.

Each complaint was made the subject of a special investigation and in nearly all cases a report was made covering each individual item of the complaint. Due to the fact that the majority of the ships are in operation, and that the turn-over in the crew has been large since the alleged complaints, it has been exceedingly difficult to secure the necessary information to either substantiate or repudiate the alleged conditions.

When the fact was established that there was a violation of law, rule, or regulation, the local inspectors convened as a board and conducted a formal investigation, and in the event that the allegation was proven, appropriate action was taken against the licensed officers involved. In the course of these investigations, it has been found that the majority of owners and operators of vessels are willing to cooperate with the Bureau in its efforts to enforce the laws and regulations. The support by the operating companies and the master and officers, in their efforts to properly supervise the ship and her equipment, would go far toward eliminating many of the conditions cited.

Since the submission of these complaints a great deal of legislation has been enacted which looks forward to the correction of many of the mentioned conditions, such as hours of labor, insufficient or unsatisfactory crew, emergency drills, and so forth.

Many complainants allege that safety valves were tampered with to increase the steam pressure. Since January 1, 1935, the Bureau regulations have required that all safety valves be sealed, as a consequence of which it is impossible to change the pressure of the valve without breaking the seal. In cases where it was necessary to break the seal to effect repairs, a report has been made to the local inspectors.

There were many complaints, particularly with reference to living conditions, which were without the jurisdiction of the Bureau; however, the act of June 25, 1936, amending the Seamen's Act of March 4, 1915, has extended the Bureau's authority in the matter of ventilation, plumbing, and toilet facilities and inspection, and the Bureau is of the opinion that considerable progress has been made in improving living conditions on board ship. Section 4 (a) of the above act requires a monthly inspection of crew quarters, and insofar as the available force is able, these inspections are being carried out. At the present time the Bureau has a committee in the field investigating living conditions, particularly crew quarters, on American vessels. Based on the findings of this survey, regulations will be prepared covering in more detail the requirements for ventilation, insulation, toilets, showers, washing facilities, bunks, food, and other living conditions on new and existing vessels.

Relative to complaints concerning poor quality of provisions, sections 4564, 4565, and 4566, R. S., provide definite procedure for enabling seamen to obtain an improvement and specific penalties against the master who issued or permitted insufficient or bad food, and provision is made for legal redress through the district courts. The statutes referred to have been in effect since December 21, 1898; however, until the present time the seamen have been fearful of reporting deficiencies due to retaliatory measures on the part of the owners. At the present time the seamen, through the unions, are able to enforce compliance, not through the courts, but by striking for better conditions. Means for correcting nearly all of the conditions complained of are provided by statute, but fear of losing their positions has prevented the seamen from reporting these conditions to the proper authorities.

Another matter which appeared to be strongly put forward was the condition of the boats and davits. The Bureau's rules are very stringent, and as the inspectors are practical seafaring men, the boats and davits together with other life-saving apparatus receive more than cursory attention.

Complaints alleging long hours of duty can only be answered by the fact that the Seamen's Act of 1915 permitted 12 hours a day for sailors, but did not limit the hours that stewards would be required to work. This condition has been corrected by the act of June 25, 1936, limiting the hours of duty to 8 insofar as seamen in the deck and engine departments are concerned.

R. S. FIELD, *Director*.

My reply reads as follows:

OCTOBER 5, 1937.

The Honorable J. M. JOHNSON,
Assistant Secretary of Commerce,
Washington, D. C.

DEAR COLONEL JOHNSON: Receipt is acknowledged of copies of the reports of investigations made by your office into the complaints filed by Mr. Joseph Curran in April 1936, transmitted with your letter of September 29.

Cordially yours,

ROYAL S. COPELAND.

I suggest that the attached papers be made an appendix to our report. They take up every item involved in the Curran criticisms, and the action of the Department is noted in these reports.

(The individual reports referred to are to be included in the appendix to the committee report, p. 324.)

The CHAIRMAN. Commander Field and Commissioner Daly, we thank you very much for your appearances here today and for giving your views to this joint committee.

We have now, gentlemen, Commander E. G. Small, of the Naval Intelligence Department, who will address us.

(At this time Commander E. G. Small, Navy Department, made a statement to the joint committee which, at the direction of the chairman, was not reported. The following then occurred:)

The CHAIRMAN. The committee has received what is known as "A Guide for Communist Work Aboard Ship." We have on file quite a bit of material relating to the possible relationship of these unions with

communism. This has come into our possession during our study of this problem. It would seem to me that for the benefit of the committee this pamphlet entitled "A Guide for Communist Work Aboard Ship" should be included in the record, and I will ask that it be printed at this point.

(The pamphlet entitled "A Guide for Communist Work Aboard Ship" is to be inserted in the record at this point.)

A GUIDE FOR COMMUNIST WORK ABOARD SHIP

[Issued by waterfront section, 230 7th Ave.]

THE PARTY IS THE LEADER

The campaign and mobilization of the workers for struggle must be carried out by all party organizations . . . above all by the factory nuclei (unit) . . . the factory (ship or dock) must be the center for carrying on our party and trade union work in carrying on for the struggle.

It is on the ship that we must "root" ourselves. Abstract agitation around general issues that may be meaningless to the average seaman will gain us nothing. Work in the union meetings only will not solve the issues.

We must prove that our party deserves their support and loyalty by giving correct leadership in their day to day struggles and demands.

A UNIT ABOARD EVERY SHIP

To accomplish the rooting of the party aboard the ships is the duty of every party member. He must build a unit by recruiting aboard his ship and establishing his prestige as a capable seaman and fighter for the crew's interests. He must have a long range view of the need of the party being the leader of the workers in the ultimate struggle for power. The presence of party units, leaders of the rank and file, are our only guarantee of response to strikes and actions. To build units mean that comrades will have to stick to ships. We have to overcome the natural tendency for turn-over.

ORGANIZATION AND ACTIVITY OF THE UNIT

Comrades working in mills and factories do not think of leaving their jobs (unless fired) without party permission. We must have the same feeling of responsibility. Every ship and factory must become a stronghold for our party.

It takes 3 or more comrades to form a unit. These units belong to the waterfront section, but are independent of the shore unit. They are furnished with their own dues, stamps, etc.

The unit needs an organizer, educational director, literature agent, and dues payment (finance) secretary. In other words, this unit functions like a shoreside shop unit.

PARTY IS NOT A CRAFT ORGANIZATION

Every comrade aboard the ship will belong to the unit. Craft functions have nothing to do with party organization.

The organizer will see to it that the unit carries out the work decided upon. The educational director is responsible for the general presentation of the party to the crew (agitation, etc.) and for the political study and development of the members and sympathizers, arranges forums, etc.

If membership is large enough, several units can be organized on a watch basis, with coordination through the organizers.

KEEP IN TOUCH WITH THE SHORESIDE

Before sailing, the unit must meet with a section representative. These meetings will be for the purpose of reporting on the functioning of the unit, planning future work, correction of work, etc.

MEET REGULARLY ABOARD SHIP

While meeting regularly, care must be taken not to expose the party as such. A little thinking will determine how to go about this, depending on the individual ship. Generally, two things expose the party: (1) Carelessness, (2) poor work.

The first gives the spies an easy indication of the party membership and apparatus. The second gives red-baiters and backward workers a chance to gripe at the party.

ELECT THE UNIT LEADERSHIP

Be frank and self-critical in getting the unit organized and electing the leadership, because, once elected, the leadership must be respected and obeyed.

YOUR FIRST MEETING

Discuss the general conditions aboard ship and select a common grievance as the first task of the delegates of the departments. This for mobilizing the crew and getting an opportunity to "classify" the members of it.

Organize the meeting times and places.

Plan a definite campaign of activity in all the divisions of the work on the basis of a discussion as to what seems the most proper methods of work, in the union, political education, etc.

ISSUE A SHIP'S PAPER

This paper should be handwritten, typed or mimeoed, depending on the ship situation, length of trips, etc. The paper should reflect ship and company news and should also raise issues for the crew.

Establish contact with "Sparks" and if he willing and capable he can be of great help in getting out timely leaflets, bulletins, etc. He can also give careful interpretation of news in his regular bulletin.

LITERATURE

Establish our literature in the regular library, if possible. Have it aboard and in circulation, at any event.

If possible, get contacts to subscribe to the cost of it. Don't throw the "pulp" junk overboard! This is sectarian and plays into the hands of the red-baiters.

CLASSES AND FORUMS

The unit leadership should determine the type of classes and study groups that can be established. A union class in current maritime problems and union strategy is generally possible. Smaller political study groups can be organized among the members and sympathizers. Where possible, organize forums and lectures, using people from the passengers, etc.

Develop any type of activity along these lines that will involve any number of the crew in it. If some of the men want to study a language, etc., and if there is someone aboard who can help them, get it going.

WE ARE THE PARTY FACTION IN THE UNION

We must see to it that union work is carried on in the correct manner.

But we must not become a substitute for it.

We should always try to develop honest, capable nonparty forces in the work. We must not function as only a progressive union group. We are not "wobblies." We are revolutionary workers preparing for the decisive struggle to end capitalism. We have to exist as an independent and influential force in our own right, not just be the "tail" for the union work.

FRATERNIZE WITH THE SHORESIDE WORKERS

When ashore in the home port, particularly, we should see to it that as many members of the crew as possible get acquainted with the longshoremen and fraternize with them. In union meetings aboard ship, a report on the current I. L. A. situation should be made. This information can be secured by reading the rank and file paper of longshoremen and by inquiring at the section.

It also goes as a matter of course that we should be informed as to the current situation in the licensed men's unions.

Proper attention to the above two points will speed the actual building of the federation spirit in the industry.

"MALAY" ACTS AGAINST DRUNKENNESS

The crew of S. S. *Malay* will not tolerate any drunkenness on this ship during working hours, and voted at a meeting on December 5 that a member missing his watch should pay his substitute at the rate of 70 cents per hour.

They also voted that a fine of 50 cents be imposed on any member of the crew who fails to comply with the request of the messman that they leave the messroom in a presentable condition. This money is to be turned over to the "Pilot" or union funds.

A suggestion was made that the N. M. U. membership be warned against an oiler named LeRay Milina who left the ship at Aransas Pass, Tex., owing about \$80 and is accused of theft.

GEORGE DE ALLAUME, *Recording Secretary.*

Gentlemen, we shall meet tomorrow morning at 11 o'clock, to hear a statement from a representative of the State Department.

(At 1:15 p. m. an adjournment was taken until 11 a. m. Wednesday, January 5, 1938.)

(The following material was submitted by Commander Field:)

DEPARTMENT OF COMMERCE

BUREAU OF MARINE INSPECTION AND NAVIGATION

OFFICE OF SUPERVISING INSPECTOR,
514 Customhouse San Francisco Calif. October 21 1937.

DIRECTOR. BUREAU OF MARINE INSPECTION AND NAVIGATION,
Department of Commerce Washington D. C.

Attached herewith for your information please find certain reports covering certain actions of the unlicensed personnel during the last voyage of the S. S. *President Adams* of the Dollar Steamship Line.

Also enclosed herewith for your information please find copy of letter from the marine superintendent of the Dollar Steamship Line relative to the actions of one Moran night watchman.

F. W. LEAHY
Principal Traveling Inspector.

Enclosures.

[COPY]

SAN FRANCISCO, CALIF., October 20th, 1937.

MR. HARRY LUNDEBERG,
*Secretary, Sailors Union of the Pacific, 58 Clay Street,
San Francisco, California.*

DEAR SIR: On the last round-the-world voyage of the *President Adams*, R. Moran, deck night watchman furnished by your organization, was logged for being drunk on the voyage between Havana and Cristobal.

We remember very clearly having discussed the matter of night watchmen with you some time back, and your definite assurance that you would be able to furnish us with some steady old timers for the night watchmen ratings on our vessels. You will undoubtedly want to look into the case of this R. Moran, who was a consistent trouble maker on the *President Adams* during the entire round-the-world voyage.

In further connection with Moran, we might add that he denied any connection with a raid on the ship's bar on the morning of September 15th, claiming that A. Boland and P. Lutzie, oilers on board this vessel, were responsible for this breaking into the bar and getting away with the ship's liquor. Moran, however was on deck at the time, punching the watchmen's clock and knew of the above raid.

By a copy of this letter to the Marine Firemen, Oilers, Watertenders & Wipers Association of the Pacific Coast, we are advising them of this raid on the ship's bar by crewmen sent down by their organization. It would be our suggestion

"AGWISTAR" MEETS

The crew of *S. S. Agwistar* at a recent joint meeting requested individual bunk lights and two new toilets.

Various complaints were submitted about the food. It was requested that hot cakes be served at least once a week and that an ice box be furnished for the night lunch.

A motion was passed that men who take time off without permission be fined \$1.50 for first offense and \$2.50 for subsequent offenses.

A. HOHET, *Deck Delegate*.

The CHAIRMAN. The next item appears on page 19 and reads:

"CARACAS" ACTS AGAINST DOUBLING UP OF JOBS

Stewards department of *S. S. Caracas*, assembled in meeting on Nov. 26, passed a motion that this crew concur with the union that doubling up on jobs be done away with. The union delegates ashore were asked to call to the attention of the Grace Line officials that better service will be rendered passengers if a waiter be a waiter only, same to apply to room stewards and bath stewards.

A telegram was sent to Pres. Roosevelt on the *Alpic* case and voluntary contributions made for the cost of the telegram as well as a donation for the "Pilot."

It was suggested that union literature be obtained from the union hall to be distributed among the crew.

A gesture of good will was made by Bro. McLaren, messman with many years service in the Grace Line, who welcomed the *S. S. Caracas* into the Grace family of steamships. The chairman assured him that he would find the *Caracas* members good union men.

The chairman emphasized the rule on the ship of fining a member \$2.00 for drunkenness, because intoxication meant that someone else had to do the work. This was both unfair to the individual brothers and detrimental to the union as a whole.

JOSE YANEZ, *Delegate*.

At a deck department of *S. S. Caracas* on Oct. 29 it was decided that the delegate keep the card which a new man brings with him from the hall when he comes aboard, and that if he in any way does anything which may bring a bad name to the union, a report be made to the shore delegate who will see that the man is dealt with accordingly.

DECK DELEGATE No. 12194.

On the same page is another item which I wish to read, as follows:

"ESSO BAYWAY" TAKES DISCIPLINARY STEPS

At a joint meeting aboard the *Esso Bayway*, Dec. 5, a motion was passed that if a man misses a watch he will have to pay 70 cents an hour, and a half a days' pay besides for each four hours if he has been drunk.

It was decided to itemize all articles needed, such as desks or tables, equipment to keep the quarters clean, and see the shore delegate about getting them through proper channels.

A motion was passed that all men on the ship must have a union book.

WILLIAM McDONALD, *Recording Secretary*.

On page 21 are two items which I wish to read. They are as follows:

At the joint meeting of the crew of *S. S. Shawnee* on November 1 the chairman reported that \$90 had been contributed for the widows of the crew of *S. S. Brazos* by the stewards, pursers, engine divisions, and the doctor. He further stated that Captain Leek had reported that the total sum collected in the Clyde Line was about \$500.

In his address to this meeting Delegate Regan reminded the membership that the election of N. M. U. officers is soon to come and told the men to prepare to choose their candidates with the full interest of the union in mind. He urged them to pay up their dues and save a little ahead for the \$5. strike fund.

CHAS. J. JUNGREN, *Acting Recording Secretary*.

"MALAR" ACTS AGAINST DRUNKENNESS

The crew of *S. S. Mala*, will not tolerate any drunkenness on this ship during working hours, and voted at a meeting on December 5 that a member missing in water should pay his substitute at the rate of 70 cents per hour.

They also voted that a fine of 50 cents be imposed on any member of the crew who fails to comply with the request of the messman that they leave the mess room in a presentable condition. This money is to be turned over to the "Fid" or union funds.

A suggestion was made that the N. M. U. membership be warned against a sailor named Le-Ray Molina who left the ship at Aransas Pass, Tex., owing some \$50 and is accused of theft.

GEORGE DE ALLAUME, *Recording Secretary*

Gentlemen, we shall meet tomorrow morning at 11 o'clock, to hear a statement from a representative of the State Department.

(At 1:15 p. m. an adjournment was taken until 11 a. m. Wednesday, January 5, 1935.)

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F. W. LEAHY

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In further connection with Moran, we might add that he denied any connection with a raid on the ship's bar on the morning of September 15th, claiming that A. Boland and P. Lutzic, oilers on board this vessel, were responsible for this breaking into the bar and getting away with the ship's liquor. Moran, however, was on deck at the time, punching the watchmen's clock and knew of the above raid.

By a copy of this letter to the Marine Firemen, Oilers, Watertenders & Wipers Association of the Pacific Coast, we are advising them of this raid on the ship's bar by crewmen sent down by their organization. It would be our suggestion

that all the men named above be investigated as to their eligibility for further membership in their respective organizations.

Very truly yours,

L. H. WESTDAHL.

cc—M. F. O. W. & W. A.

bc—Executive Office,

Mr. A. E. Roth,

Mr. E. C. Maussardt, Maritime Commission,

Mr. F. W. Leahy, Bu. Marine Inspection and Nav.

STEAMSHIP "PRESIDENT ADAMS," 44-45

In New York Sept. 12, 1937: 2 Quartermasters and a A. B. turned in while on watch.

Dep New York Sept. 12, 1937: Frolich, O. S., and Rojewski, A. B., failed to join the ship. Frolich reported to ship in Boston. Considerable drunkenness in deck department enroute Boston.

Boston: ———, A. B. and ———, O. S., off account of sex perverts.

New York -Havana: Sept. 20th Moran, night watchman, asleep in social hall and awakened by 12:10 a. m.

In port Havana: 8/12 watch did not secure gear at 10 p. m. as ordered. Moran, night watchman, absent from duty. On departure a number of men not assisting with gear.

At sea Sept. 21: 8/12 a. m. Gleason, O. S., and Prevost, Bos'n, only on deck. (Not working: Beligh, A. B., Donovan, A. B., and De Luz, O. S.) 8/12 p. m. Donovan, A. B., absent from duty.

At sea Sept. 22: Moran, night watchman, did not punch clock stations and report from 12 midnight to 2:20 a. m. (7 rounds). Pantell, Bos'n Mate, absent from duty 4/8 p. m.

Balboa, C. Z., Sept. 24th: Huber, A. B., absent from duty 4/8 p. m. On departure men aft did not want to sail account Gleason, O. S., was not aboard. Moran and Donovan leading. De Luz and Donovan did not turn to leaving. (Donovan alleged leader.)

At sea Sept. 25th: Donovan, A. B., failed to turn to.

Los Angeles Oct. 4th, 1937: J. Ashford, Q. M., absent 12/4 a. m. and 12/4 p. m.

The following named men did not report for duty and were absent from 8 to 12 a. m. All these men were on day work. G. Ellis, A. B., W. Chiko, A. B., E. De Luz, O. S., V. De Bono, O. S.

The following men absent from their 12/4 p. m. watch. W. Chiko, A. B., C. Hansen, A. B., V. De Bono, O. S.

The following man absented himself from duty in the forenoon with all hands on day work and failed to report for duty on his watch, 4/8, until a few minutes before sailing from dock, G. Huber.

PRINCIPAL CREW ACTIONS DURING VOYAGE NO. 44 ROUND THE WORLD

Honolulu: Nye and Rojewski ABs absent 12 noon to 1:30 p. m. and 1:30 to 3:30 p. m. respectively. Strauss, B. M. and Frolich, O. S. absent from 4 p. m. to 4:50 p. m. Gomez, O. S. failed to join. Night watchman Moran asleep on duty.

Kobe: Ashford, Q. M. failed to report for duty at midnight. Following men failed to report to secure gear at 6 p. m. Graziano, Calacoff, Nye, Gleason. Moran watchman failed to report for duty.

July 12th B. M. not on deck during first part of his watch.

Shanghai: Ellis knocked off approximately 3 p. m., Gleason failed to turn to in the afternoon. Nye and Graziano failed to report for their watch at midnight. Rounded up 4-8 p. m. watch at 4-15 p. m. to turn to. Rojewski, A. B. not found on watch after 1 p. m.

Hong Kong: Moran, watchman, did not report for duty at midnight. Rojewski under influence of liquor

Manila: Rojewski, A. B. missed 12-4 a. m. watch. At departure following men refused the 2nd officers orders to let go stern lines, Strauss, Calacoff, Nye, Pantell, Graziano, De Bono, Moran, as they were told not to do so by the engine room delegate Stockley.

Singapore: July 27th, Ashfor and Rojewski did not report for duty 12-4 a. m. July 28th, the above two men did not report for duty 12-4 a. m. P. m. watch Rojewski under the influence of liquor. Moran watchman failed to report for duty. Nye and Ellis leaving work forward as they pleased. Men sent for, Ellis to wheel at 2:25 p. m. and Nye to work forward at 2:30 p. m.

Penang: Sea watches being maintained, Beligh and Gleason ashore without permission while on watch and got into trouble with shore authorities and held at police station until chief officer and chief engineer were gotten in touch with by the agent and men were released. Next day Gleason sick from effects of liquor and did not turn to during the a. m. watch.

Colombo: Arriving Gleason put to taking rope lashing from forward deck rails, and left lashings hanging on the rails. 12-4 watch late in turning to. Night watchman Moran drunk. Following day Movan O. S. turned to on his 4-8 watch at 7 a. m.

At sea: 12-4 watch given work and after starting on job were not located again until 1:15 p. m., said they were hiding from the mate. Moran watchman drunk and started a disturbance in the Chinese quarters.

August 17th and 18th, 12-4 watch did not wash down the after deck as ordered, and on the 18th and 17th Ellis taking at least 1 hour for coffee.

Port Said: Barbara, Stockemer, Martin, Gleason, Hakala, 45 minutes from being called to time of reporting to handle lines. Rojewski drunk on duty.

At sea: Nye, Pantell, Rojewski did not report to 2nd officer at midnight.

Naples: Pantell, A. B., did not turn to to handle lines or secure gear.

Marseilles: Ellis, Nye, Pantell, and De Bono not on deck with crew at 2:30 a. m. to batten hatches and secure gear for departure, and did not turn to until men stood by to let go lines. At time of letting go the following men refused the 2nd officers orders to let go lines aft, Strauss, Ellis, Pantell, Rojewski, Gattaino, Nye, Graziano, De Bono, Movan.

At fire and boat drills Nye and Movan under influence of liquor—unable to attend.

In port Manila, P. I., at approximately 10 a. m., I was instructed by the master, Captain Bauer, to go aft and see what the trouble was as the 2nd officer, Mr. Veitch, had reported to the bridge that the men would not let go the lines when ordered to do so.

When aft I asked Mr. Veitch what the trouble was and he informed me that the men had refused his orders to let go the lines. I then instructed Mr. Veitch, 2nd officer, to give each man an order to let go, and he addressed the men individually, and his orders were refused.

The following named men were so ordered and refused, Bosn Mate H. Strauss, Able Seamen P. Pantell, R. Nye, and S. Calacoff, and Ordinary Seamen T. Movan, D. Graziano, and V. de Bono.

A. Beligh, AB, the sailors elected delegate was on the after deck and I told him to keep clear of all disputes not concerning him or the sailors, and he offered some excuse regarding the unlicensed engine room personnel not sailing the ship, and the sailors thought it would not be a good idea to let go the lines as there would be nobody below. I told him he did not get paid to think and that the master would do the necessary thinking. We sailed within the hour.

At Singapore, S. S. the sailors began offering excuses that it was the carpenters job when told to slack off the dogs on the side port in #5 hatch, the job in the meantime was done by shore coolies to discharge the mail. I told the sailors' delegate, Beligh, that I would determine whose job this and that was and a refusal to carry out orders would be just cause for suspension of certificates, reminding him that each man took oath to obey all lawful orders of their superior officers.

Disinterest in ship's work with few exceptions was experienced throughout, laxity and reluctance in turning to and reporting to the officer in charge on the bridge when coming on and going off watch, and the amount of work accomplished and in the main the general attitude of the men to discipline prevailed.

Mr. Veitch, 2nd officer, as he told me, heard one Stockley, oiler and unlicensed engine room crew delegate, declare he was more than the captain, he was the delegate.

In Naples, Italy, a number of crew members from the engine room and stewards departments were on the aft deck in a more or less drunken condition, and comments passed around "to all walk off the ship" as it was being talked about that there were some 10 or 11 men not yet aboard.

Comments passed by one Lutze, oiler, as he drunkenly passed me on the gangway coming aboard and leaving the vessel immediately before sailing.

Derogatory remarks and the use of obscene language as told by Mr. Veitch, 2nd officer, by said Lutze as he stood on the dock and addressed them to the 2nd officer who was on the poop directing the handling of the after lines.

After the gangway had been put ashore at the master's orders, and I had seen the quartermaster and the stationman who assist at this station start to put the gangway gear away, I left to attend to duties of searching for stowaways, the putting out of the pilot gear and to seeing that there were no unauthorized crew members on the passenger decks.

Upon the completion of these duties I came to the bridge to report to the master and found that there were some crew members on the flying bridge, from where the master was conning the vessel, and heard Mr. Johnson, the 3rd officer, tell them to leave and he found it necessary at this point to forcibly escort one man to the starboard ladder. One of these crew members was using vile and obscene language in reference to the master. Captain Bauer told me to order these men below. I told these men to leave and go below and that that was an order. One of them questioned me as to who I was and I told him the chief officer, and he replied "very well, I'll respect your orders and go below." The men left and went below.

In Marseilles, the crew turned to at 2:30 a. m. to batten hatches and secure the gear for sea, and four men were not out with the rest namely, Ellis, Pantell, Nye, and de Bono, and as there had been one man left in the hospital at Genoa this made the deck crew five men short to prepare the vessel for sea. Hatches were not battened down and booms not in the collars until approximately 7:30 a. m. This was due to being short handed on deck and the "take your time" attitude of the men with few exceptions.

When the men were standing by to let go lines I was told by the master that there was trouble aft and when I went aft, Mr. Veitch, the 2nd officer, said the men would not let go the remaining stern line when he gave them orders to do so. I then told Mr. Veitch to give each man an individual order to let go, which he did, but the line still remained on the bitts. The bosn. mate offered the excuse that he was told by the delegate not to let go. One man, Pantell, who had been standing by the line to the lug on the starboard side, came over to the port side to let go when ordered by the 2nd officer, and started to throw the line from the bitts, but seeing the rest of the men stand or sit there, as the case was, and make no effort to assist him, he asked what the trouble was and what was the matter, but received no help or answer, so he stopped handling the line himself.

I then went back to the bridge to report to the master as to what had taken place and gave him the names of the men involved, to wit: Bosn. mate Straus, Able Seamen Pantell, Nye, Rojewski, Ellis, and Gattaino, and Ordinary Seamen Graziano, Movan, and de Bono.

I started aft again but when I was as far aft as the end of the boat deck house I saw the men throwing the line from the bitts and that all was quiet, so returned to the bridge.

S. S. "PRESIDENT ADAMS,"

Enroute Los Angeles, Calif., Oct. 1st, 1937.

Capt. H. S. BAUER, Master.

SIR: Please be advised that when this vessel left Balboa, C. Z., one ordinary seaman, F. Gleason, had failed to join.

Following our departure, the sailor's delegate, A. Beligh, came to my room to check overtime, and at that time he asked me what would happen to Gleason when he showed up at the agency, and further if this man's gear could be kept and turned over to the Sailor's Union headquarters.

I told him it was up to the ship to turn this man's gear over to the United States Shipping Commissioner, and what was done then was no concern of the ship's. He stated he would sign any papers or receipts for this gear, as he stated Gleason had, as I recall his conversation, a new suit and various bits of merchandise. I told him "no," but that I would speak with you. This I did, telling you my answer to him, which was confirmed by yourself. The delegate was told to collect this man's gear and turn it over to the purser.

Today as the men were setting cargo gear, in the way of checking up, I asked Beligh if he had turned the gear over to the purser. He said "no," the crew was going to take it to the union headquarters. I said it made no difference and he told me he was not going to fight the crew, and I told him I would go back and get it myself.

At 9:30 A. M., I took the watch aft on a job and while aft I asked Beligh which locker was Gleason's, and he replied he did not know. I went into the sailors' quarters and asked Frolich, O. S., which locker was Gleason's. He said he did

not know as the man had slept in the 8-12 foosle. I awakened Ellis, A. B., and he pointed out one he thought was. It was locked. I then went out and asked Beligh if he had the key for it and he said "no," and that he was no baggageman. I reminded him of his conversation and request to me after leaving the Canal. He said I did not tell him anything, and that it was his word against mine and for me to prove it.

I then reported the above to you.

Respectfully.

JAS. D. PHELAN, *Chief Officer.*

(The following consular reports were submitted by Commander Field along with others not printed here because they are quoted elsewhere:)

No. 331

AMERICAN CONSULATE,
Yokohama, Japan, September 4, 1937.

Subject: Disorderly conduct of members of crew, S. S. "President Hoover".

The Honorable The SECRETARY OF STATE,
Washington

SIR: I have the honor to report that the following members of the crew of the S. S. *President Hoover*, voyage 34 east, failed to rejoin their vessel when it left this port on September 3, 1937:

1. W. D. Handelsman, waiter.
2. E. Milanesi, waiter.
3. H. MacLean, waiter.
4. J. Mack, waiter.
5. J. E. Jacobi, waiter.
6. L. Tarkington, carpenter.
7. E. F. Mullins, junior engineer.

When the men went ashore the vessel was scheduled to sail at 8 p. m. The vessel left port at 11 p. m. The second and fifth men listed above spent the night at the "New City Bar" where they incurred debts equal to yen 47 which they are now unable to pay. Mullins, a junior engineer and previous offender in ports abroad, was taken into custody by the police but released upon the intervention of Waiter Handelsman. The police required of the Dollar Line guarantees of good conduct and repatriation for all men.

The seamen were issued third class tickets by the Dollar Line on the S. S. *President McKinley*, which was scheduled to sail from Yokohama for Seattle at 8 p. m. on September 4th. According to Dollar Line officials, when the seamen visited their quarters on the vessel, they announced that they were dissatisfied with their quarters and demanded special class accommodations. Their demand was refused and the seamen returned to the bar.

At 6 p. m. of the same day the consulate received a telephone call from the Kagacho police station. The police said that an American citizen was in jail and requested that a representative of the consulate call at the station. Vice Consul White went immediately to the police station. He was informed that Junior Engineer E. F. Mullins of the S. S. *President Hoover* was in jail; that he had been in jail once before on the same day; that he was in a very intoxicated condition; that he owed a taxi bill of yen 1.20; and that other seamen from the S. S. *President Hoover* were ashore in Yokohama contrary to police regulations.

The vice consul called on a representative of the Yokohama office of the Dollar Line, who went to the police station and paid the sum of yen 1.20 which Mullins owed. He then took Mullins to the S. S. *President McKinley*. Mullins boarded the ship in an obviously intoxicated condition and under the observation of a number of passengers and Yokohama residents.

During the period 7:35 p. m. to 7 50 p. m. the other seamen from the S. S. *President Hoover* boarded the S. S. *President McKinley*. They were obviously intoxicated and were also observed by a number of passengers and Yokohama residents. One of the seamen informed the vice consul that they liked neither the accommodations nor the steerage food, and that they might decide to return to shore. The vice consul replied that such a procedure was contrary to police regulations and that, in view of the circumstances, the consulate would not be disposed to intervene in the case should they be arrested.

Many similar cases which have occurred previously have not been reported by despatch to the Department because they were taken to be incidental to the expected shipping problems in this port.

Previous cases have brought American seamen and shipping into disrepute in the eyes of this community and in the opinion of the people and officials of Japan. Drunken and disorderly conduct on the dock and in the bars of Yokohama have come to be expected when American merchant vessels arrive in port. This instance is a further illustration not only of misbehavior and action derogatory to American shipping in general, but also of the increasing difficulty which the consulate encounters in discussing with local police any case which may involve American citizens. The consulate has in the past enjoyed excellent relationships with the prefectural authorities. Now, because of the conduct of American seamen, including regular recurrences of drunkenness and insults to all who may be nearby including Americans and Japanese, it encounters definite obstacles in the way of approaching the police in cases of such nature as those in which American citizens have in the past, by the consulate's informal discussions, been given most lenient treatment. If the handling by the police of occasional cases involving Americans whose normal conduct is orderly is to be prejudiced by repeated offenses by American seamen, the consulate foresees the time when it will be unable to approach the police with any expectation that penalties or punishments will be modified in any degree. The normal result of such a trend in relationships between the consulate and the local officials charged with the maintenance of law and order would appear to be a reaction to the imposition of the severest penalties for all infractions of the law or regulations.

It would be appreciated if the facts of this case were brought to the attention of the American Shipping Commissioner in San Francisco.

Respectfully yours,

GREGOR C. MERRILL,
American Vice Consul.

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TRINIDAD, B. W. I., *September 18, 1937.*

Subject: Discharge of American Seaman, Arthur Rothman.

The Honorable SECRETARY OF STATE,
Washington.

SIR: I have the honor to report that on August 28, 1937, American Seaman Arthur Rothman, was discharged from the S. S. *City of New York* of the American-South African Line.

On August 27th, the agents of the American-South African Line, G. F. Huggins & Company, Ltd., received a telegram from the master of the S. S. *City of New York* requesting that upon the arrival of the ship, it be met by police and a consular officer. Vice Consul Smith proceeded on board on the arrival of the ship at 4:30 p. m., and the master reported to him that Rothman had been grossly insubordinate and that in view of the lack of facilities for restraining him, he was a danger to the safety of the ship. Mr. Smith inquired into the matter and found that on or about August 25, 1937, and subsequently, Rothman had refused to perform duties assigned him by the master, that he had cursed the master and struck him in the face, that he had attacked the doctor and other members of the ship's company. The master's report on the matter was fully corroborated by statements made by the doctor and members of the crew to Mr. Smith. During Mr. Smith's examination of Rothman the latter made threats against the life of the master.

Later in the evening I discussed the matter thoroughly and in view of Rothman's undoubtable, repeated insubordination and the captain's justified insistence that Rothman was a danger to the safety of the ship, I decided to discharge him, the agents assuming all responsibility for his maintenance and repatriation.

Rothman refused to leave the vessel and on August 28th the master requested the assistance of the local authorities in having him brought to the consulate. After questioning, which left no doubt as to his insubordination, he was there discharged, but refused to sign the articles or the receipt for his pay.

Because of his action in insulting and attempting to assault the inspector of police who went aboard to remove him, and because of his boisterous and violent

actions when brought on shore, the inspector insisted upon arresting him and charging him with assaulting an officer and with disturbing the peace. He was brought before the magistrate on August 30 (represented before the court by the probation officer) and held in custody until September 3 when he was released in care of the Salvation Army. In the meantime he decided to accept his pay and signed the voucher. Mr. Smith visited him in prison and found that he was being given proper care.

Every effort was made by the agents to obtain a passage for the United States but no berth in any ship was available until September 18, 1937, and on that day Rothman sailed for New York on the steamship *Charles H. Cramp* as a passenger.

Respectfully yours,

C. H. HALL, Jr., American Consul.

(The following are from the summary of cases submitted by Commander Field:)

Complaints closed

Vessel	Complaint	Date complaint	Date closed	Action taken
Huguenot.....	First asst. engr. calling 2nd & 3rd asst. engr. vile names.	11/17/36	8/11/37	1st asst. engr.'s license suspended 30 days.
St. John.....	Certain members of crew did not respond to fire and boat drill at 3rd reinspection of vessel.	8/23/37	10/4/37	Members of crew concerned given strong verbal reprimand by Capt. Lyons.
Swiftscout.....	Certain members of crew refused to obey master's lawful orders, at Providence, R. I.	8/26/27, 1927	9/10/37	Company withdrew charges.
Acacia (Carter)....	Intoxication and subsequent refusal of duty by Ralph J. Carter, 1st asst. engr.	10/31/37	12/8/36	Carter's license revoked; appealed 1/7/37; appeal upheld 6/21/37
American importer.	Officers of vessel required to work in excess of 8 hours a day.	Feb to Mar. 1937	6/2/37	Overtime work necessary for safety of vessel.
Carrie B. No. 10 M 817—Billy.	Unseamanlike conduct of John Bernhardt, licensed operator during collision with "Billy."	6/5/37	9/16/37	Charges not sustained.
Challenger.....	Alleged undermanning of vessel enroute from Boston to New York	1/3/37	4/1/37	Charges not sustained.
Eastern Sword.....	Assault on Frank Velenza, ch. engr. by Altonio Girgion 3rd asst. engr.	12/9/36	7/3/37	Insufficient evidence to sustain charges.
El Vallee.....	Unlicensed personnel refused to obey master in Houston while serving under articles.	9/9-11/37	-----	Company withdrew charges.
Fairview.....	Misconduct and intemperance against Capt. David Cameron, Master	7/23/37	8/18/37	Charges not sustained.
Filas, Weston R....	Desertion and theft from Coast Guard boat.	10/6/25	10/8/37	License revoked; appealed 8/4/37; appeal granted 10/8/37
Meadville.....	Collision with ferry slip at Jersey City; G. C. Armstrong charged with negligence.	10/14/36	1/25/37	Mr. Armstrong committed suicide.
Pat Doheny.....	Shooting of B. T. Lee, 2nd asst. engr. by Geo. D. Link, A. B.	5/26/37	8/7/37	Link's certificate revoked; U. S. Dist. Attorney prosecuting Link.
Rotterdam (Dutch)	Complaint on conditions on board vessel preceding and following death of Mrs. Martin L. Pulcher, American.	-----	7/16/37	Charges not sustained.
Susan A. Moran....	Complainant vessel undermanned, short one A. B.	-----	8/20/37	Short 1 A. B. but 8 hr. law complied with. Case dismissed.
Ulua.....	Complaint on conditions on board vessel.	-----	12/17/36	Charges not sustained.
City of Fairbury...	Complaint on conditions on board vessel.	8/11/36	12/30/36	Charges not sustained.
El Capitan.....	Unlicensed personnel refused to obey master in Houston, while serving under articles.	9/9/37	9/25/37	Company withdrew charges.
Gallagher, J. B....	Complaint against Marine Inspection Service	6/17/35	-----	Case closed.
Mauna Loa.....	Alleged unseaworthiness of vessel	2/8/37	6/2/37	Charges unfounded; case closed.
Pat Doheny.....	S. A. Hansen, 1st asst. engr. required to work overtime.	6/12-6/30 1937	11/5/37	Charges withdrawn.
Kelley Island.....	Complaint on conditions on board vessel.	2/24/37	7/9/37	Letter of admonishment sent to Mr. Jn. C. Ingwersen, master.

Complaints closed—Continued

Vessel	Complaint	Date complaint	Date closed	Action taken
Robert J. Paisley..	Alleged undermanning of vessel.	10/7/36	10/24/36	Charges unfounded, case closed.
Charles R. McCormick.	Complaint on conditions in engine department on board vessel.	3/19 to 5/10/37	7/22/37	Charges unfounded; case closed.
Indianan.....	Alleged insubordination of Omar Swensen, fireman.	4/17/37	5/15/37	Insufficient evidence; case closed.
President Jefferson.	Complaint by members of crew—hatches improperly housed, crew refused to proceed to sea.	9/1/36	11/27/36	Charges unfounded; case closed.
President Wilson..	Misconduct against Wm. Gardner, Bert S. White, James Cole & M. J. Schreiber, able seaman.	5/14 to 7/7/37	8/9/37	Certificates of Gardner & White suspended 30 days; Cole 15 days; charges against Schreiber unfounded.
Atenas.....	Alleged assault on R. E. Fox, messman by R. W. Bets, 1st asst. engr.	11/16/36	12/13/37	Case closed—no action.
Belle Island.....	Disturbance among passengers on board vessel, alleged negligence of officers.	7/25/37	12/14/37	Case closed—no action.
F. W. Abrams.....	Alleged assault on W. Thomas, messman by unknown person.	4/4/37	12/14/37	Case closed—no action.
Ruth Kellogg.....	Members of the crew refused to allow the master to make proper entries in their discharge books.	4/23/37	12/14/37	Case closed—no action; members of crew had exchanged books for cert. of identification.
Santa Elena.....	G. D. Roberson, Albert E. Wihs and M. J. Lisman, able seamen assaulted other seamen and destroyed vessel property.	9/2/37	12/14/37	Case closed—no action.
West Notus.....	Alleged sabotage against A. Stene, alien, able seaman & lifeboatman.	7/20/37	12/8/37	Stene's certificates as A. B. & lifeboat'n suspended 90 days.
Pawnee.....	Undermanning of vessel and incompetency of crew.	8/22/37	12/15/37	Owners reported for violation of sec. 2, Public 808.
Makiki.....	Alleged assault on W. S. Reid, A. B. by Stanley Shaw, 3rd asst. engr. Refusal of Reid to obey the lawful order of the engr. on watch.	8/21/37	12/3/37	Reid's certificate suspended 6 months.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Robert E. Fox, member of the crew of the SS *Atenas* alleged the first assistant engineer of that vessel brutally assaulted him.

Place and time: November 16, 1936, while the SS *Atenas* was in Tampa, Florida.

"C" board: George Fried, Karl C. Nielsen, and James Smith.

Date of board's report: August 10, 1937.

Brief of report: Evidence of the completed investigation shows that Messman Robert E. Fox was under the influence of liquor and raising a disturbance in the sailors' quarters to such an extent that complaints were made to the officers that the men were unable to sleep. The chief steward and the first assistant engineer endeavored to quiet the men but were unsuccessful. While the engineers were having their dinner in the engineers' mess room, Robert Fox entered and attempted to assault First Assistant Engineer Ralph W. Bets. The latter defended himself and knocked Fox down with a tomato catchup bottle. The police were called and Fox was arrested but was released sometime later as no witnesses could be summoned against him.

Bureau action: As the testimony in the case indicated that Fox committed the assault which he alleged Bets committed, the Bureau directed the board to close the case without further investigation.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Complaint made by Argonaut Line, Inc., on August 5, 1937, that the entire licensed personnel, except the master, chief engineer, and radio operator refused duty.

Place and time: New Orleans, Louisiana, July 31, 1937, on board the steamship *Atlantic*.

"C" board: Norman E. Merrill, Charles W. Sanders, John F. Oetti.

Date of board's report: September 23, 1937.

Brief of report: Evidence of the completed investigation showed that the licensed members of the crew, deck officers, with the exception of the master, and the licensed engineers, with the exception of the chief engineer, conducted what is known as a "sit-down" strike on board that vessel on July 31, and subsequent dates, while serving under articles of agreement, signed before the Deputy Shipping Commissioner in New York. Testimony further shows that after the above-mentioned licensed personnel had refused duty, that the master gave no direct orders for them to resume their duties. Testimony also shows, except in the case of the second officer, that these men considered the Articles of Agreement broken by the master in that he required them to work in excess of 8 hours per day in violation of paragraph 2, Public, No. 808.

Bureau action: Case dismissed because master gave no orders.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Alleging that an engineer of the S. S. *Cassimer* was required to work more than eight hours a day.

Place and time: At various times prior to the receipt of an undated letter addressed to Royal S. Copeland by John O'Donnel.

"C" board: George Fried, Karl C. Nielsen, and James Smith.

Date of board's report: May 13, 1937.

Brief of report: Evidence of the completed investigation shows that the engineers of the S. S. *Cassimer* stood a night watch after working eight hours during the day and that they were paid overtime for standing this night watch; that they were paid this overtime while the vessel was in United States ports but not while in foreign ports and that the overtime work required in foreign ports was required and not voluntary.

Bureau action: As the board investigating this incident reported a violation of section 2, Public 808 on Form 99, as required by Bureau Circular No. 152, the board was directed to close the case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Alleging undermanning of the motor vessel *Challenger*.

Place and time: On motor vessel *Challenger* in Boston Harbor, January 3, 1937.

"C" board: Karl C. Nielsen and James Smith.

Date of board's report: March 17, 1937.

Brief of report: Evidence of the completed investigation shows that the MV *Challenger* arrived at Boston after the seamen's strike had started and that the vessel was under continuous articles, the final port of discharge being New Orleans, La. When the vessel arrived at Boston the crew refused to work, demanding that they be paid off. This was not done. Sailing time was posted at the gangway of the vessel and when that time arrived the crew did not turn to. The lines were let go by the ship's officers and the vessel started out into the stream. As soon as the vessel started out into the stream the crew immediately turned to. A complaint was made that the vessel ran without sufficient crew and that there was not a third mate on board on the voyage from Boston to New York. The master, however, considered that the vessel was sufficiently manned and that he was fully complying with the law, that is to say, section 4463, paragraph 2, — "in a run of less than 400 miles from the port of departure to the port of destination, then such vessel shall have two licensed mates—." The board which investigated this incident found that the vessel was manned in accordance with her certificate of inspection.

Bureau action: As there was no evidence of negligence on the part of the master, no disciplinary action was taken in this case. The board was directed to close the case without further investigation.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Conditions existing in the engine room department of the SS *Charles R. McCormick*.

Place and time: On board the SS *Charles R. McCormick* from March 19 to May 10, 1937.

"C" board: John P. Tibbetts, Winslow D. Conn, San Francisco, California.

Board's report date: June 4, 1937.

Brief of report: Evidence of the completed investigation shows that Peter Ingegnier, who made this complaint, was employed as an Oiler aboard the SS

Charles R. McCormick, and on March 5, 1937, he alleged that he sustained an injury to his ankle. This injury, he claimed, was caused when he was walking over a deckload of lumber on board the above-mentioned vessel. His ankle was treated by the first assistant engineer and he was instructed to remain off his feet. He neglected to do this and the same evening walked across the deckload again, to the mess room, amidship, repeating the same maneuver the following morning for breakfast. When this man was examined by a doctor, it was ascertained that he was feigning these injuries and the doctor made a statement to that effect before some members of the crew. Subsequent to the above, the position of firemen became vacant and other members of the crew refused to sail if Ingegnier, who held a fireman's certificate, was given the position. The sailing of the *McCormick* was delayed and it was finally decided that a wiper named Cappelletti be given the position as fireman, which Ingegnier complained of to the Local Inspectors at San Francisco. The board found that there was no violation of the law in the assigning of Cappelletti to the position as fireman.

Bureau action on report: The Bureau directed the board to close the case without further investigation.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Refusal of the unlicensed personnel of the S. S. *El Vallee* to work. Place and time: On board the S. S. *El Vallee*, Clinton Docks, Houston, Texas, at 10:30 a. m., September 11, 1937.

"C" board: Captain George Fried; Karl C. Nielsen, and James Smith.

Date of board's report: None.

Brief of report: No investigation was made into this case as the company withdrew charges against these men. A report submitted by the master shows that a N. M. U. representative came on board the ship at 10:30 a. m., September 9, while the master was ashore and called a meeting of the unlicensed personnel. After this meeting they notified the chief officer that they were refusing to work behind a picket line formed at the entrance of the Morgan Line property, at whose dock they were lying. The unlicensed men also demanded that the chief engineer shut off the steam. Upon the master's return to board he ordered all the men to return to work. All licensed officers performed their duties satisfactorily. The master explained in his report that he instructed the men that they were still under articles and that if they refused any lawful orders their certificates would be subject to disciplinary action. The refusal of the men to work was repeated on Friday, September 10th. The refusal of the men to work was repeated on September 11th. On Saturday, September 11th, at 12:30 a. m., the representative of the N. M. U. and two delegates of the N. M. U. notified the master that the men were ready to assume their duties and sail the ship, whereupon the master proceeded to get the ship under way to Galveston.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Complaint by certain members of the steamship *Excelsior* against Robert H. Sweeting, master of that vessel.

Place and time: On board the S. S. *Excelsior* at some dates prior to April 16, 1937.

"C" board: Henry O. Leuders and Thomas W. Reynolds.

Date of board's report: June 10, 1937.

Brief of report: Evidence of the completed investigation shows that the complaints of the crew embraced seven charges signed by 27 members of the crew against the master, charging neglect of duties on his part in failing to give attention to the crew quarters and to certain ill members of the crew between the dates of February 27 and April 16, 1937. Further evidence shows that the charges were instituted by a few disgruntled members of the crew who had made trouble during the entire voyage, one of whom was the wireless operator who, himself, circulated the charges for signature and who left the ship at Tampa and none of whom appeared to prosecute the charges. The investigation also developed that some the signers admitted that they had no personal knowledge of the charges and merely signed the complaint to avoid provoking the ill-will of the investigators.

Bureau action: As the investigation showed the charges were entirely unfounded, the board was directed to close the case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Report against the steam vessel *Gotham*, made by John P. Lodge, able seaman, alleging unsanitary conditions and crew shortage.

Place and time: On board the steam vessel *Gotham* on several dates prior to June 10, 1937.

"C" board: Chester W. Willett; Thomas W. Gould; Charles A. Tyler; Cleveland, Ohio.

Board's report date: July 29, 1937.

Brief of report: Evidence of the completed investigation shows that on the times which this vessel ran short of seamen, that a report of the fact was made in accordance with the law, by the master; the master also admitted that unopened one-gallon pails of paint were placed in the crew's quarters temporarily while the lamp room was being prepared to receive the paint. The master also admitted that certain vegetables were carried in baskets in the crew's quarters, but this was one in order to have sufficient supplies of potatoes, onions, and carrots, and that the condition was remedied shortly thereafter by building additional bins. The master's testimony refuted the fact that the ice box was unclean, and he was sustained in this by other members of the crew of the vessel, and when the vessel was inspected by the local inspectors, unsanitary conditions were not found to be in existence. The complaint also stated that a boy, fourteen years old, was acting as able seaman. Investigation showed, however, that the boy complained of, carried an ordinary seaman's certificate and filled an ordinary seaman's berth on board the vessel, and that he was seventeen years of age. The complaint that the crew's quarters were dirty was partially borne out, but work was under way at the time of inspection with regard to the cleaning and painting of these rooms; and the toilets and baths were found to be operating properly and were in good condition.

Bureau action on report: The Bureau directed the board to report to the Bureau when all the conditions on this vessel had been properly carried out, and to caution the master with regard to sanitary conditions for which he was responsible under the law. The board was also instructed to notify the master that any further reports of this kind would result in disciplinary action against his license.

SUMMARY OF "C" MARINE INVESTIGATION

Misconduct: Alleged insubordination of Omer Swensen, on board the *S. S. Indianan*.

Place and time: On board the *S. S. Indianan* while preparing to leave the dock at San Diego, California, on April 17, 1937.

"C" Board: Joseph J. Meany; Joseph A. Moody; San Pedro, California.

Board's report date: May 4, 1937.

Brief of report: Evidence of the completed investigation showed that the *S. S. Indianan* was about to sail from San Diego, California; Omer Swensen left the fire room and went on deck to confer with the ship's delegate and was reported for doing this by the chief engineer, to the master, who subsequently reported the same to the local inspectors at San Pedro. The chief engineer's report claimed that Mr. Swensen was endeavoring to interfere with the business of the vessel, in that he was making it his business to find out how many men there were on board in the crew of that vessel. The complainant, the chief engineer, was not present at the investigation to refute the statements advanced by Omer Swensen in his own defense. It was not proven that his conduct interfered with the proper handling of the engines and the entire investigation was indefinite and nonconclusive. The board which investigated this case warned Mr. Swensen that a similar complaint in the future would result in the revocation of any certificate he might hold.

Bureau action on report: The Bureau informed the board which investigated this incident that sufficient evidence must at all times be produced to sustain a definite charge or charges of insubordination, which they had not done with regard to the complaint made by the chief engineer of the *S. S. Indianan* against Omer Swensen, and further directed the board to close the case.

SUMMARY OF "C" MARINE INVESTIGATION

Complaints: R. E. McGee, as fireman of the *S. S. J. J. Coney* charged one Ralph Dorsett, first assistant engineer, with assault and battery.

Place and time: The night of May 23, 24, 1937, while that vessel lay at port of Aruba, N. W. I.

"C" Board: Henry O. Lueders and Thomas W. Reynolds.

Date of Board's report: August 24, 1937.

Brief of report: Evidence of the completed investigation shows that on the occasion mentioned above the vessel was loading cargo with boilers under steam. At about 11:30 p. m. of the 23rd, R. E. McGee, fireman, and Richard Spencer, oiler, came on board heavily intoxicated and very noisy. When permission was denied these men by the first assistant engineer to take their respective watches, on account of their unfitness from intoxication, they became very boisterous and threatened harm to their two substitutes. On account of this the first engineer remained in the fire room and engine room to keep order there and prevent any interference or harm to the two substitutes, and despite the first assistant engineer's warnings to the above mentioned men to stay out of the engine and fire rooms, they forced their way below and started trouble with their substitutes. When the first assistant engineer attempted to quell the violence of these two men McGee struck the first assistant with a burner pipe, inflicting a bad scalp wound. The first assistant engineer then went to his room, procured his revolver and sent word to the master to come below, after which he returned to the fire room to renew his command to these men that they should leave. McGee again attempted to assault the first assistant engineer, whereupon he fired two shots over McGee's head and when McGee closed with him he used the butt end of his revolver to subdue him. Spencer, who joined in the attack, was subdued in like manner. The master sent for the police, requesting that they be taken to the hospital for treatment and then incarcerated. McGee immediately got away from the hospital, returned to the ship to renew the trouble, and threatened the life of the first assistant engineer.

Bureau action: The Bureau exonerated the first assistant engineer of the accusations made in the complaint by R. E. McGee.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Letter of Mr. John McLean, of Buffalo, New York, relative to alleged conditions on board the steam vessel *Kelley Island*.

Place and time: Alleged conditions and facts which occurred prior to his undated letter.

"C" board: Henry Johnson, Wallace Tomey, Toledo, Ohio.

Board's report date: June 7, 1937

Brief of report: Evidence of the completed investigation shows that the conditions alleged were not proven. Evidence further shows the *Kelley Island's* quarters were in a sanitary condition and in accordance with the law. The evidence further shows that the linen in the crew's quarters was changed once every week, which was usual practice. An inspection of the vessel did not show any evidence of vermin in the quarters of the crew and that the drinking water was obtained from shore, from the municipal water supply. There was some evidence that not sufficient attention was being paid to the water being pressed up in the double bottom tanks and the master was instructed, at the completion of the investigation, to carefully watch and have reports made to him with regard to this condition.

Bureau action on report: The Bureau directed the board to close the case without further action, and wrote a letter to the master of the steam vessel *Kelley Island*, admonishing him with regard the water in the double bottoms to have free surface, and instructed him that if the condition should again exist, the Bureau would take disciplinary action with regard to his license.

SUMMARY OF "C" MARINE INVESTIGATION

Insubordination: Reported insubordination of the officers and crew of the *S. S. Liberty Glo*.

Place and time: Tocopilla, Chile, on March 19 and 20, 1937.

"C" board: George Fried; Karl C. Nielsen, and James Smith.

Date of board's report: July 3, 1937.

Brief of report: The evidence of the completed investigation shows that Carlos C. Hall, American consul at Antofagasta, Chile, received telephonic reports from the master of the *S. S. Liberty Glo*, stating that the crew was in a state of insubordination and refusing to sail while John and Jose Gonzales were aboard, and were also demanding the removal of the master of the *S. S. Liberty Glo* on grounds of incompetency. On the date before mentioned there had been considerable amount of drinking among the crew and a fight took place in the firemen's fo'castle on March 16, 1937. Immediately after the fight a union meeting was held demanding that the master of the vessel leave two of the crew ashore. The

consul, in the presence of the master, pointed out the gravity of the situation to the several members of the crew concerned and the possible consequences of their acts involving insubordination. He also instructed the crew that the Chilean authorities would intervene if the acts of insubordination did not cease and further, that he would report all the facts in the case to the United States attorney at New Orleans. The board, after an investigation at which it called all the witnesses it was possible to obtain jurisdiction over, found that the master of this vessel acted properly and as the United States attorney did not consider the matter of sufficient importance to make an investigation the board recommended that the case be dismissed.

Bureau action: The Bureau instructed the board to close this case without further action owing to the record of investigation made by the board and the fact that the U. S. attorney did not consider this case of sufficient importance to present it to the Federal grand jury.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Brought by the master of the S. S. *Mariposa* against Edward S. Ryan, wine steward, and George L. Bailey, room steward, for being in the first class passengers' quarters and entertaining a woman and a child whom Bailey brought on board the ship.

Place and time: July 21, 1937, on board the S. S. *Mariposa* while that vessel was in Sydney Harbor, Australia.

"C" board: John P. Tibbetts; Henry V. Barbieri; San Francisco, California.

Board's report date: August 21, 1937.

Brief of report: Evidence of the completed investigation shows that the master's report with regard to the actions of these men was proven and that Edward S. Ryan, wine steward, and George L. Bailey, room steward, were in the first class passengers' quarters entertaining a woman and a child whom Bailey had brought on board the ship; and that while they were in the passengers' quarters, an argument arose between them and Bailey forcibly removed Ryan from the room of a passenger. During the investigation these two men admitted that they knew their actions to be against the rules and regulations as issued by the board of supervising inspectors and contrary to law. The board recommended that the certificates of these two men be suspended for a period of ninety (90) days.

Bureau action on report: The bureau approved the recommendations of the board and ordered the suspensions of the certificates of these two men for the above-mentioned period.

SUMMARY OF "C" MARINE INVESTIGATION

Assaults: Assault with deadly weapon, to wit: revolver, committed by Able Seaman George D. Link on Second Assistant Engineer B. Lee of the S. S. *Pat Doheny*.

Place and time: On board the S. S. *Pat Doheny* on May 26, 1937, while that vessel was at Port Sulphur, Louisiana.

"C" board: George Fried, Karl C. Nielsen, and James Smith.

Date of board's report: August 2, 1937.

Brief of report: Evidence of the completed investigation shows that Able Seaman Link fired five shots at the second assistant engineer, B. Lee, on board the S. S. *Pat Doheny* at about 5 o'clock p. m., on May 26, 1937, while that vessel was alongside the dock at Port Sulphur, Louisiana. Evidence further showed that there was considerable friction between certain members of the crew and certain officers due to membership in different labor organizations. On May 26, 1937, at about 2 a. m., the chief engineer and the second assistant engineer had trouble with certain members of the crew on the dock, shortly after which the members of the crew went ashore again, with the exception of Able Seaman Link, who came on board and asked the second officer if he had a gun. At about 5 o'clock, the second assistant engineer came over the gangway, where he was met by the master who inquired into the trouble. Link, who was at that time standing on the forward end of the poop came forward and fired five shots at the second engineer, wounding him severely. Able Seaman Link was then disarmed and turned over to the local authorities and the second assistant engineer was transferred to the hospital. It was later ascertained that Link was released on \$500 bail pending trial and that the second engineer, as a result of the wounds he received, was crippled for the remainder of his life. It was also developed at the investigation that the chief engineer became temporarily insane after the shooting.

Bureau action: As the master of this vessel reported this incident to the U. S. district attorney, the Bureau's action consisted of revoking the certificate of Seaman George D. Link as able seaman No. 187853.

SUMMARY OF "C" MARINE INVESTIGATION

Crew shortage: Alleged crew shortage on board the *S. S. Pawnee*, made by J. Cook, National Maritime Union.

Place and time: On board the *S. S. Pawnee* during the voyage from New Orleans, La., August 22, 1937, enroute to Tampa, Florida.

"C" board: Samuel O. Larche and James B. Cobb.

Date of board's report: September 16, 1937.

Brief of report: Evidence of the completed investigation shows that during the labor dispute on Saturday, August 22, the original crew on board the *S. S. Pawnee* was replaced by another crew whom J. Cook charged were incompetent and without proper certificates. All the members appeared before the investigating board and produced proper certificates and from the testimony adduced it was also found that the vessel had sailed short one able seaman. This fact was reported as a violation of section 2, Public, 808, by the local inspectors, Tampa, Florida, on Form 99.

Bureau action: As the investigation showed that the crew of the *S. S. Pawnee* all held certificates of service and proper certificates of qualification, the Bureau directed the board to close this case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Report via the Secretary of State to the Secretary of Commerce signed by Winthrop Scott, American consul general at Kobe, Japan containing statements with regard to the master and crew of the steamship *President Cleveland*.

Place and time: Kobe, Japan, on board the *President Cleveland*, July 19, 1937.

"C" board: George Fried, Karl C. Nielsen, Knud L. Hanson.

Date of board's report: September 21, 1937.

Brief of report: Evidence of the completed investigation shows that the master was short one seaman in Kobe, Japan, and applied to the American consul in that port for an additional seaman. The consul supplied a man who various witnesses defined as a man who was everything from a proper seaman down to the most unkempt of beach combers. Evidence further showed that this man was intimidated to some extent by the crew. Further evidence shows that the entire evidence in this case was conflicting, and the man did not join the vessel.

Bureau action: The Bureau instructs the board who conducted this investigation that, "your board apparently neglected to give proper consideration to the report of Winthrop Scott and you did not develop testimony which would clearly show what transpired with regard to this event." The Bureau further directed the board to conduct their questioning toward the developing of the point in question, and not to allow witnesses to answer questions which apparently were either absolutely untruths, or answers which would show a direct lack of knowledge.

SUMMARY OF "C" MARINE INVESTIGATION

Non-compliance with Public, 808: Charges that Public, 808, was violated made by certain officers of the *S. S. President Harding*.

Place and time: On board the *S. S. President Harding* on certain dates in April and May 1937.

"C" board: Karl C. Nielsen and James Smith.

Date of board's report: August 18, 1937.

Brief of report: Evidence of the completed investigation shows that on board this vessel three senior officers are always kept on watches and three junior officers are assigned to duty watching cargo. The first officer is held responsible for the mail and baggage and is generally considered the cargo officer on board the vessel. According to the first officer's own testimony in this case in connection with the three voyages during the months mentioned he had never been called out on his watch below to personally superintend the loading or discharging of cargo, mail, or baggage. Evidence further shows that the only overtime work done by the officers on the voyages in question was when the officers were on stand-by entering or leaving port. Evidence further showed that these officers are called upon from time to time either on watch or off watch by stevedores and by others concerned, to give directions with regard to certain specific duties which they are required to perform and which is in violation of Public, 808.

Bureau action: As the incident above referred to was reported on Form 99 as a violation of Public, 808, by Edward P. White, U. S. principal traveling inspector, the Bureau directed the board to close the case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Made by certain members of the crew against the master of the *S. S. President Jefferson*.

Place and time: On board the *S. S. President Jefferson* at different times prior to September 1, 1936.

"C" board: Daniel B. Hutchings, William M. Campbell; Seattle, Washington.

Board's report date: November 17, 1936.

Brief of report: Evidence of the completed investigation shows that the *President Jefferson*, owned by the American Mail Line, was detained at Shanghai, China, because the majority of the deck crew refused to unmoor the ship until the hatches were properly covered. The ship was unmoored by the licensed personnel, and proceeded down the river to Woo Sung, where C. E. Gauss, Consul General of the United States, boarded the vessel and conducted an investigation into the complaint made by the certain members of the crew. After he had completed his investigation he decided the complaint was unfounded and directed the crew to return to duty. The vessel proceeded, arriving at Seattle on September 16, 1936. A delegation of the crew then went to the office of the local inspectors in that port and presented a complaint against the master of the vessel. At this investigation all the members of the crew who appeared to give testimony, with one exception, Irvin M. Smith, walked out. The board found that no useful purpose could be served by subpoenaing the complainants, and recommended the case be dismissed.

Bureau action on report: Upon review of the entire record, which consisted of (1) The complaints of the crew; (2) copies of the log book of the *S. S. President Jefferson*; (3) depositions by certain officers of the vessel; (4) and a report of the American Consul General; the Bureau directed the board to close the case without further action, as the charges brought by the seamen against the master were without foundation.

SUMMARY OF "C" MARINE INVESTIGATION

Misconduct: Charges of misconduct placed against Bert S. White, fireman on the *S. S. President Wilson*.

Place and time: On board the *S. S. President Wilson*, June 30, 1937.

"C" board: John P. Tibbett and Winslow Conn.

Board's report date: July 28, 1937.

Brief of report: Evidence of the completed investigation show that this man was reported by Joseph D. Ryan, chief officer and Henry Schoepp, first assistant engineer, to Captain D. C. Austin, the master of the *S. S. President Wilson* as follows: "About 7:45 p. m., June 30, 1937, in the Port of Honolulu, Bert S. White, fireman employed aboard the *President Wilson*, was in an intoxicated, boisterous condition, using foul and obscene language in the passenger quarters at the purser's office." The report further states that when disciplinary measures were resorted to that White became bellicose and pugnacious and that it was necessary to forcibly subdue him. The log of the ship also carried this man as absent from duty without permission on several occasions and that he also was guilty of assaulting the ship's plumber and shore workmen on June 25, 1937. The testimony of the investigation further shows that a witness, one Arlo Myers, who was produced by Bert S. White, stated that White was so under the influence of liquor that he ran into him and they both fell on the deck, and that White himself admitted that he was under the influence of liquor and at fault in an argument which he stated he had with the officers of the vessel.

Bureau action: The certificate of Bert S. White, C-23479, was suspended for a period of 30 days.

SUMMARY OF "C" MARINE INVESTIGATION

Assault: Charges of assault placed against Raymond W. Martineau and Bernard Davis, committed upon the chief officer of the *S. S. President Wilson*.

Place and time: *S. S. President Wilson*, June 8, 1937, Hong Kong, China.

"C" board: William Fisher, John P. Tibbett, Winslow Conn.

Board's report date: October 30, 1937.

Brief of report: Evidence of the completed investigation shows that Martineau and Davis were convicted in a civil court for assault on the chief officer and that both men plead guilty before the board investigating the incident to striking the chief officer. An investigation conducted by Howard Donovan, American consul, shows "that these men were fined \$150 and \$100 H. K., respectively, by

a marine magistrate, which fines were paid and the alternatives to these fines being six weeks and 4 weeks in jail, respectively. The marine magistrate characterized Davis' assault on the chief officer as "particularly savage" and the entire incident with its attendant publicity served to lower still further the prestige of the American merchant marine in Hong Kong, which, it is to be said, has about reached its nadir.

Bureau action: The Bureau suspended all certificates issued to Raymond W. Martineau and to Bernard Davis for a period of six months.

SUMMARY OF "C" MARINE INVESTIGATION

Misconduct: Charges of misconduct placed against William Gardner, able seaman on the S. S. *President Wilson*.

Place and time: On board the S. S. *President Wilson* during the voyage from May 14 to July 7, 1937.

"C" board: John P. Tibbett and Winslow Conn.

Board's report date: July 27, 1937.

Brief of report: Evidence of the completed investigation shows that William Gardner admitted that he was engaged in a fight on board that ship and that he had a fire axe in his hand at the time and that he also admitted leaving the ship at Hong Kong but did not intend to desert the vessel. The reason for his missing the ship, he stated, was that he was drunk. He also admitted that he missed the ship at Kobe and that he further demanded to be paid off at Honolulu, and when his demand was refused he stated, "I will not do any more work."

Bureau action: The able seaman's certificate and life boat certificate held by William Gardner were suspended for a period of 30 days.

SUMMARY OF "C" MARINE INVESTIGATION

Misconduct: Charges of misconduct placed against James Cole, able seaman of the S. S. *President Wilson*.

Place and time: On board the S. S. *President Wilson* during the voyage of May 14 to July 27, 1937.

"C" board: John P. Tibbett and Winslow Conn.

Board's report date: July 26, 1937.

Brief of report: Evidence of the completed investigation shows that this man had the opinion that if he became intoxicated during the time when he was off watch but was sufficiently sober to stand his watch, no offense would have been committed. He also admitted that he came aboard the vessel in an intoxicated condition and that due to his condition he was unable to take his assigned watch.

Bureau action: The certificates held by James Cole were suspended for a period of 15 days.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Anonymous complaint from a person employed on the steam vessel *Robert J. Paisley*, alleging that steam vessel was not carrying the required number of seamen.

Place and time: On board the steam vessel *Robert J. Paisley* prior to October 7, 1936.

"C" board: Henry Johnson; Wallace Tomey; Toledo, Ohio.

Board's report date: October 19, 1936.

Brief of report: Evidence of the completed investigation shows, together with the muster of the crew on board, that the required number of seamen was being carried at the time the investigation was held. Evidence further shows that the men on board the vessel, both licensed and certificated, had no complaint to make with regard to the hours of labor. The board recommended the case be dismissed.

Bureau action on report: After a careful consideration of the testimony, the Bureau found that the allegations contained in the complaint were neither substantiated nor proven, and directed the board to dismiss the case.

SUMMARY OF "C" MARINE INVESTIGATION

Assault: Assault committed by one Francisco Figuero, a Puerto Rican, able seaman, upon John Gaines, colored stevedore.

Place and time: On September 29, 1937, at about 11:30 a. m. on board the S. S. *Sagadahoc* while that vessel was lying in the wharf in New Orleans, La.

"C" board: Samuel Larche and James B. Cobb.

Date of board's report: October 4, 1937.

Brief of report: Evidence of the completed investigation shows that Figuero came aboard in a drunken condition and when near number 3 hatch almost fell overboard, John Gains, a colored longshoreman put his arm around him and led him to the wharf, after which Figuero became very abusive. Figuero's shipmates then took charge of him and took him to the forecastle. He, however, later returned and attempted to assault Gains and other colored longshoremen, after which the local police were called and he was arrested. Figuero was later tried and sentenced to 30 days in jail for disturbing the peace.

Bureau action: The certificates held by Figuero as able seaman and lifeboatman were suspended for a period of six months.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: American Able Seaman, No. 084444, with reference to crew shortage on the Socony Vacuum Oil Company tankers running between Albany, New York, and Cleveland, Ohio.

Place and time: Prior to June 18, 1937.

"C" board: Iver Rolseng; William B. Smith, Buffalo, New York.

Board's report date: September 28, 1937.

Brief of report: Evidence of the completed investigation shows that these vessels have not been operated in violation of the law, except when in the judgment of the master it was found necessary to work the men off watch in order to maneuver the vessel while locking through the Welland Canal. Evidence further showed that great consideration had been given by the U. S. supervising inspector and the local inspectors with regard to the manning of the vessels mentioned in the complaint. The evidence also showed, however, that the testimony of the officers and the crew had worked in excess of eight hours a day on certain specific work, which is contrary to the law. The board recommended that the case be dismissed without further investigation.

Bureau action on report: The Bureau instructed the board that their findings were not in accordance with the testimony, and directed the board to report the violation on form No. 99, in accordance with Bureau circular letter No. 152.

SUMMARY OF "C" MARINE INVESTIGATION

Assault: Stabbing of Seaman Louis Corney, a member of the crew of the S. S. *Steel Ranger*, by one Esco Pigott, a member of the crew of the S. S. *Steel Ranger*.

Place and time: At about 1:00 a. m., May 10, on board the S. S. *Steel Ranger*.

"C" board: Karl C. Neilsen and James Smith.

Date of board's report: August 17, 1937.

Brief of report: Evidence of the completed investigation shows that Messman Louis Corney had been causing dissatisfaction in the seamen's messroom of this vessel during the entire voyage and that he was warned by the master and later disciplined by being demoted. Corney had quarreled with Pigott because he, Corney, had slept in Pigott's hammock. Just prior to the departure of the vessel from Madras, India, on May 10, 1937, Pigott again discovered Corney sleeping in his hammock and both men came to blows during which altercation Corney was apparently stabbed by a clasp knife in Pigott's possession. Pigott was arrested and Corney was hospitalized. Corney recovered rapidly and when Pigott was brought to trial by the local authorities Corney stated that as far as he was concerned the affair was settled. After this statement the local authorities acquitted Pigott.

Bureau action: The Bureau directed the board to dismiss the case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Chief engineer of the S. S. *Trimountain* charged he was assaulted by Fred J. Boudreaux, third assistant engineer.

Place and time: Deer Park, Texas, September 10, 1937.

"C" board: Andrew A. Miranda and H. F. Cobb.

Date of board's report: October 2, 1937.

Brief of report: Evidence of the completed investigation shows that the S. S. *Trimountain* was in the dock at Houston, Texas, and that while that vessel was there Boudreaux was relieved of his duties as third assistant engineer. Boudreaux left the vessel at 11:15 a. m. At about 12:15 p. m. a representative of the M. E. B. A. entered the chief engineer's room and stated that Boudreaux was aboard the vessel and wished to have a conference. Shortly thereafter Boudreaux entered the chief engineer's room and without the chief's permission, and in-

quired of the chief engineer as to why he had been dismissed. Testimony further showed that the cause of Boudreaux's dismissal was that he had refused to comply with the first engineer's request that he obtain either a continuous discharge book or a certificate of identification to comply with the new seamen's laws. During the course of conversation Boudreaux lost his temper and struck the chief engineer in the face, knocking him off his chair and over onto the floor. Before the chief engineer could arise the representative of the M. E. B. A., succeeded in getting Boudreaux out of his room and off the ship.

Bureau action: The license of Fred J. Boudreaux as third assistant engineer was suspended for a period of thirty days.

SUMMARY OF "C" MARINE INVESTIGATION

Conditions: Report of conditions on board the S. S. *Ulua* made by Frank J. Roche to Mr. Billings Wilson, board authority, New York.

Place and time: Voyage of the S. S. *Ulua* from May 8, to May 27.

"C" board: Karl C. Nielson and James Smith.

Date of board's report: November 28, 1936.

Brief of report: Evidence of the completed investigation shows that Frank J. Roche made a written report with regard to all fire appliances, such as hose, extinguishers, axes, etc., together with their appurtenances and the smoke detecting system of the above-mentioned vessel. The board which conducted this investigation also wrote to the complainant, Frank J. Roche, stating that they were investigating the conditions which were complained of by Roche and requested that he appear on the date of investigation, but he failed to do so, nor had he appeared for one month subsequent to the investigation. The board having the proper authority dispatched the assistant inspectors to the S. S. *Ulua* and requested them to make a report of all the apparatus on board that steamship and the report made by them was favorable. Evidence obtained from the chief officer of the vessel showed that when Roche reported on board the vessel as a watchman he announced to the chief mate that he would be in charge of the ship with regard to fires and that apparently Frank J. Roche, who signed himself "Ret. Captain" had never been to sea before.

Bureau action: The Bureau, upon review of this case found that there was no negligence on the part of any licensed officers and that the accusations set forth in the complaint were not sustained.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Report of misconduct. American Pioneer Line reported that the master of the motor ship *Ward*, one Thomas Evans, was assaulted by one Armand Paolantonio.

Place and time: On board the motor ship *Ward* in San Pedro Harbor September 30, 1937.

"C" board: Joseph J. Meany, Joseph A. Moody.

Date of board's report: November 1, 1937.

Brief of report: Evidence of the completed investigation shows that Armand Paolantonio, a messman on the motor vessel *Ward* committed an assault on Thomas Evans, the master, while that vessel was in San Pedro Harbor on September 28, 1937. On October 28 Paolantonio was placed on trial in the Federal court at Los Angeles, California, and convicted, and a sentence of 45 days in the county jail to be designated, was imposed. Evidence taken before the "C" marine investigation board shows that Paolantonio did commit this assault on the master Thomas Evans as proven at the district court.

Bureau action: The Bureau revoked the certificates of service held by Armond Paolantonio.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Robert Amundsen, boatswain on the S. S. *Washington*, stated that he was assaulted by the second assistant engineer of that vessel, one William A. Gower.

Place and time: While the S. S. *Washington* was in harbor at New Haven, Connecticut, on the 2nd of February 1937.

"C" board: Alva R. Chapman and Harvey C. Colgin.

Date of board's report: May 18, 1937

Brief of report: Evidence of completed investigation shows that Amundsen, who made the complaint, went to Mr. Gower's door on the evening in question while the vessel was at New Haven. Amundsen had been drinking. Testimony

does not show who actually struck the first blow as the various witnesses gave conflicting evidence with regard to this fact. However, the evidence does show that Amundsen was beaten by Mr. Gower. The trouble was directly due to Amundsen being intoxicated, which fact was directly established by several of the witnesses and Amundsen himself admitted in his testimony that he was under the influence of liquor.

Bureau action: Having careful regard for the conflicting testimony and the fact that even though there had been bad feeling between the parties concerned in this assault and whether the actual assault occurred due to Amundsen's condition, the board was directed to close the case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Inquiry: Relative to the hoisting of a piece of red bunting on the flag staff of the S. S. *West Ira*.

Place and time: On board the S. S. *West Ira* on April 6, one day out of the Panama Canal bound for Baltimore.

"C" board: George Fried; Karl C. Neilsen, and James Smith.

Date of board's report: April 22, 1937.

Brief of report: Evidence of the completed investigation shows that the S. S. *West Ira* was on a voyage from San Francisco to New York, N. Y., via Panama Canal, stopping at intermediate ports. It appears that at about 2 p. m. on April 6, when the *West Ira* was one day out of the Canal Zone the officer on watch, C. B. Hamblett, second officer, observed a small red rag flying from the flag staff, aft. He immediately reported this to the master. The master had the red rag removed and endeavored to find the person responsible for the incident. He succeeded in placing the blame on an ordinary seaman, one Emile Waldteufel who had frankly admitted hoisting the red rag. The master also ascertained, as did the board, that the hoisting of this rag was a practical joke and in no way influenced the disrespect or sympathy of the crew.

Bureau action: The Bureau directed the board to dismiss this case without further action.

SUMMARY OF "C" MARINE INVESTIGATION

Irregularities: Certificate reports and counter reports made by the officers and crew of the S. S. *West Mahwah*.

Place and times: On board the S. S. *West Mahwah* while on a voyage to South America some time during the months of November and December 1936 and January 1937.

"C" board: S. A. Kennedy and Joseph A. Moody.

Board's report date: March 17, 1937.

Brief of report: Evidence of the completed investigation shows that the irregularities alleged were brought to the attention of the "C" marine investigation board in a written form by crew members, and it appears that certain officers of the ship were assumed to have been employed on vessels during the 1934 strike and that the complaints were preferred by the certificated personnel. Also, it was found that the second mate was asleep in the chart room while on watch, and that the third assistant engineer left the engine room while on watch to visit the second mate on the bridge. Both the second mate and the third assistant engineer admitted that they were guilty of the breaches of discipline and neglect of duty of which they were accused.

Bureau action: The Bureau suspended the license of Alfred C. Aitken, Jr., second mate, for a period of 30 days and the license of Donald A. Stanton, second assistant engineer, for a period of 10 days.

Complaint open

Vessel	Complaint	Date complaint
Pemaquid.....	Intoxication against members of crew. Complainant C. R. Hale, passenger	8/6/37.
California.....	Refusal of 4 firemen to carry out lawful orders of engineer.	8/27/37
Maple Leaf.....	Intoxication and negligence against R. E. Forbes, engineer.	9/3/37.
President Adams.....	Complaints on conditions on board vessel by members of crew.	February to May, 1937.
Catawissa.....	Complaint on conditions on board vessel.....	8/19/37.

Complaint open—Continued

Vessel	Complaint	Date complaint
Bixler, Harry C.....	Found incompetent to handle food by Wassermann test.	4/17/37.
Kelly, Archie L.....	Found incompetent to handle food by Wassermann test.	4/24/37.
Sweden.....	Misconduct of Ray Miles (Roman Miazewski who became insane on vessel).	4/20/37.
Kasilof.....	Alleged mistreatment of George Anderson, passenger, by Oscar Wick, cook.	9/29/36.
Malolo.....	Assault on H. Pierce and R. Gleason, unlicensed junior engineers, by V. S. Strouse, fireman.	6/29/37.
Pennsylvanian.....	Misbehavior against O. Petersohn, fireman, D. Shiltz, wiper, and J. Walte, A. B.	
President Cleveland.....	Assault on L. A. Deppman, first assistant engineer by E. J. Swift, A. B.	9/13/37.
Radio III.....	Intoxication against Ed Johns, licensed operator.	5/15/37.
George A. Hibbard.....	A. R. Hines, night engineer, charged with negligence and unskillfulness.	8/18/37.
Oakley L. Alexander.....	Crew threatened to strike—disagreement settled with no action.	10/1/37.
West Lashaway.....	E. Brennan, A. B. set fire in mail room.	6/3/37.
American Shipper.....	Assault on George Doyle, seaman, by three members of the crew.	3/18/37.
City of New York.....	Assault on E. J. Berge, carpenter, by A. Arnesen, A. B.	7/11/37.
Exhibitor.....	Desertion of ship by Cost Cotas, seaman.	2/14/37.
Mosquera, Hipolito.....	Mosquera declared dangerously insane by municipal court of San Juan.	
Otho.....	Misconduct and intoxication against H. F. Gibson, junior engineer and F. D. Lynch, third assistant engineer.	3/13/37. 4/17/37.
President Cleveland.....	Alleged insubordination of crew.	7/19/37.
President Monroe.....	Misconduct of L. Lincoln, fireman, who left his watch without permission, resulting in damage to vessel.	
Argon.....	George Mitchell, seaman, refused to allow the master to make the proper entries in his discharge book.	7/14/37.
Chambers, Earl.....	Altered his certificate of efficiency.	
Hugation.....	Certain members of crew refused to allow the shipping commissioner to make proper entries in discharge books.	7/26/37.
Antinous.....	Six members of crew deserted vessel.	5/1/37.
Baldbutte.....	Complaint on conditions on board vessel.	
Durango.....	Misconduct of certain licensed and unlicensed personnel who refused to obey the master's lawful orders to put to sea.	9/27/37.
Mississippi Shipping Company.....	Officers employed by this company required to work overtime.	
Narbo.....	Assault on William Beggs, fireman, by T. Vance and S. Scyetta, ollers.	5/27/37.
New Jersey.....	Assault on W. D. Galvin, by King, third assistant engineer.	10/7/37.
Point Chico.....	Complaint on conditions on board vessel. Alleged insubordination of crew.	7/16-17/37.
Seatrain "New York".....	Misconduct of unlicensed personnel who refused to prepare the vessel for sea while serving under articles.	7/20-21-22. 8/18/37.
Seatrain "Havana".....	Misconduct of unlicensed personnel who refused to prepare the vessel for sea while serving under articles.	7/14-23— 8/18/37.
Susan Luckenbach.....	Certain members of crew refused to allow the master to make the proper entries in their discharge books.	
President Coolidge.....	Intoxication and insubordination against M. Wurtzweiler, seaman.	May and June 1937.
President Hoover.....	Various charges of negligence against master, preferred by crew.	July and August 1935.
President Monroe.....	Complaint on conditions on board vessel.	12/22/34 to 4/9/35.
West Nilus.....	Mistreatment of M. Bernstein, seaman, by members of crew.	
Shickelmy.....	Inadequate food served, crew went on strike.	7/27/37.
Delrio.....	Ralph S. Boyd, radio operator required to do other work in addition to his duties.	8/1-4/37.
Dixie Sword.....	Vessel proceeded to sea without battening down hatches, alleged shortage of men on watch.	11/20/37.
Gotham.....	Alleged conditions on board vessel.	
Dow Chemical.....	Assault and consequent injury to William McMordie, assistant conveyorman, by William Winchester, steward.	11/27/37.
Loamar.....	Refusal of unlicensed personnel to obey the lawful commands of the master when additional crew were brought aboard after original number had signed on.	9/14-16/37.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Letter addressed to the Secretary of State by the American Consul General at London, England, with reference to an assault on seaman George Doyle.

Place and time: On board the Steamship *American Shipper* while that vessel was at London, England, on March 18, 1937.

"C" board: Karl C. Nielsen, James C. Smith.

Date of board's report: May 28, 1937.

Brief of report: Evidence of the completed investigation showed that there was certain friction among the licensed personnel on board this vessel and that on March 18, 1937, George Doyle, an oiler, was attacked by three other members of the crew while Doyle was on duty in the engine room. Doyle's injuries were so severe that he was hospitalized. On March 19, the C. I. D. inspector and three assistants from Scotland Yard visited the vessel and conducted an investigation. As a result of which three members of the crew were arrested. The assault was committed by the following members of the crew of the steamship *American Shipper*: William Burke, Julius Homan, and John Kozar. On April 5 in a British court, Kozar, Burke, and Homan were tried and all three men were dismissed; Burke and Homan because of lack of evidence and Kozar under the Probation of Offenders Act.

Bureau action: The Bureau is, at the present moment, trying to contact these men in order to bring them to trial.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Panama Pacific complained that while the steamship *California* was on voyage orders were given to cast off line and seamen of that vessel refused to obey the lawful command of the master.

Place and time: S. S. *California* lying at Balboa, August 27, 1937.

"C" board: George Fried, Karl C. Nielsen, Howard C. Bridges.

Date of board's report: November 19, 1937.

Brief of report: Evidence of the completed investigation shows that certain members of the crew of the steamship *California*, while that vessel was at Cristobal on August 27, refused to let the lines go to free the vessel from the dock. The reason for this refusal as stated by the men was that the full crew was not called to take stations when the vessel was let go. Evidence shows, however, that there were no definite orders given by the chief officer to boatswain as to how many men should be called for letting go, and also that the boatswain decided to allow certain of the 12 to 4 watch to remain below, but that this fact was not brought to the attention of the chief officer. Further testimony introduced shows definitely that there was a sentiment aboard this vessel that the crew was entitled to the opinion as to what should be done, whether ordered by the officers or not. Investigation also showed that there was an intent to disobey the orders of the fire room engineer, although this disobedience was but short lived. It was also shown at the investigation that William Burke, the electrician, was in an intoxicated condition, and while that vessel was at sea, due to this condition on the 19th and 20th days of September, he failed to stand three watches.

Bureau action: Bureau action not taken pending a review of this case.

SUMMARY OF "C" MARINE INVESTIGATION

Report: Report by K. S. Patton, American Consul General with reference to the crew of the steamship *Nashaba*.

Place and time: Antwerp, Belgium, subsequent to the grounding of that vessel on October 3, 1937, on the French coast 18 miles from Cherbourg.

"C" board: This case assigned to a "B" marine investigation board to be named on the arrival of the *Nashaba* in the United States.

Date of report: No report as yet received.

Brief of report: The consular report shows that the delegates, deck, engine room, and stewards on board this vessel complained with regard to conditions on board the vessel, subsequent to its grounding, and complained of various conditions which were investigated by the consul and other conditions which they claim made it unsanitary for them to be on board this vessel. The entire consular report will be forwarded to the board which will investigate this case.

SUMMARY OF "C" MARINE INVESTIGATION

Complaint: Complaint made by Graham M. Brush, Seatrain Lines, Inc., licensed and unlicensed personnel refused duty.

Place and time: On July 14, 1937, at New Orleans and subsequently on board the *S. S. Seatrain Havana*

"C" board: George Fried, Karl C. Nielsen, James Smith.

Date of board's report: September 10, 1937.

Brief of report: Evidence in completed investigation shows that at about 4:30 p. m. on July 13, when the vessel was ready for sea an order was given to stand by fore and aft, and the entire unlicensed personnel refused to take their stations. On July 16 an entire new unlicensed crew was placed on board the vessel. When this crew came on board the chief engineer and the three assistants refused to bring the vessel to sea. Again on August 18, when the vessel was this time in New York, a meeting was held by the unlicensed personnel, at which time it was decided the vessel should not sail from New York until certain conditions were carried out. The boatswain at this time was the spokesman for the crew and carried the demands of the crew to the chief officer and to the master, and thence to the shore staff, and the vessel was never ordered to leave the dock. Further complaints were made by the unlicensed personnel with regard to the bad food, unsanitary conditions, and other matters. The engineer claimed that the reason they left the vessel was because the men who were placed on board of her (New Orleans) were not competent. Evidence shows that the 8-hour law was continually violated. Much was said during the entire investigation with regard to company and union agreements. The board recommends that charges be preferred against the unlicensed personnel and against the licensed engineers who refused duty, and recommends also that the radio officer be tried. After the investigation the board, upon consideration of the evidence recommended that the above mentioned men be tried and the Bureau subsequently received a request to transfer jurisdiction with respect to this trial, to New Orleans. The New Orleans Board has assumed jurisdiction and will conduct the trial some time in the near future.

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EXECUTIVE SESSION

AMENDING THE MERCHANT MARINE ACT OF 1936

WEDNESDAY, JANUARY 5, 1938

**UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.**

The committee met in executive session at 11 a. m., pursuant to adjournment, in the committee room of the Senate Committee on Commerce in the Capitol, Senator Royal S. Copeland (chairman of the Senate Committee on Commerce) presiding.

Present: Senators Copeland, Thomas of Utah, Donahoy, Maloney, Ellender, and Gibson.

Present also: Rear Admiral H. G. Hamlet, United States Coast Guard; Capt. C. S. Joyce, United States Navy; and John Mann, adviser to the Committee on Commerce; also, A. V. Caffee, in charge of the Shipping Section in the Division of Foreign Service Administration, Department of State.

The CHAIRMAN. We will hear from Mr. Saugstad this morning.

**STATEMENT OF JESSE E. SAUGSTAD, SPECIAL ASSISTANT, TRADE
AGREEMENT DIVISION, DEPARTMENT OF STATE**

The CHAIRMAN. Give your name and your position, Mr. Saugstad, for the record.

Mr. SAUGSTAD. J. E. Saugstad, of the Trade Agreement Division of the Department of State.

The CHAIRMAN. We are trying to find out the truth about the frequent charges made that there is disorder on the American ships and lack of discipline. It is the duty of the Commerce Committee to promote maritime affairs with a view to building up an effective merchant marine. Sitting with us is the Committee on Education and Labor, of which Senator Thomas of Utah is the chairman. Labor conditions by tradition have been dealt with by the Committee on Education and Labor. Heretofore labor standards on the sea have been dealt with by this committee, that is, the Committee on Commerce of the Senate, but we are making a joint movement in the matter, and have no desire except to get the facts. We are attempting to maintain a judicial attitude with reference to these matters. We know that the State Department, through its consuls and so forth, must have a great deal of information, and whatever you can give us, Mr. Saugstad, will be appreciated.

Mr. SAUGSTAD. Mr. Chairman, I appear here this morning in response to your letter of December 31 in which two points were

raised. One, that of any additional material, in addition to that which has already been submitted by the chairman of the Maritime Commission to this committee, and the second point being one as to the propriety of the release of this material in public form. I believe that is the object of the letter.

The CHAIRMAN. That is correct.

Mr. SAUGSTAD. On those two points I want to say that some weeks ago we had a letter from Mr. Kennedy in which he asked in regard to the propriety of releasing or making public use of the reports which the Department gathers through its Foreign Service and currently sends to him as a routine matter of business. To that we replied that in view of the Commission's responsibility as to public policy in connection with shipping policy, we felt that it was entirely up to the Maritime Commission to make any use of the material which the Maritime Commission saw fit in the public interest, restricting that statement possibly only in this way, that if there should appear in any dispatch any statement in regard to the practices, laws, or procedures of the officers or governments of other nations in respect to either our own or their own national ships in their ports we would ask that such statements be deleted from the record.

The CHAIRMAN. Mr. Saugstad, we are going to be governed wholly by the desires of the State Department in that respect so you may depend upon it that we will follow your desires.

Mr. SAUGSTAD. In addition to the material that Mr. Kennedy has laid before the committee—and I may say that that material was checked with us before you received it—we have a large number of other cases somewhat similar. We felt that the cases submitted were the most pertinent, they were the most recent, and they were the ones that pointed most clearly to the alleged effect of labor procedure and strike psychology. During the most recent years, that is to say, during periods of disturbance on board ship, various statements were made as to what labor organizations would do upon the return of those ships to American ports, both as to what they could do to the members of the Foreign Service who had tried to abide by their instructions and maintain peace and order on board ship, and what they could do to the officers of the ships who within the law had tried to maintain the workings of the ship and law and order on board ship. That was the burden, I believe, of the first reports sent to this committee.

The remainder of recent dispatches dealing with labor disturbance on board ship, then considered, were of a nature that we consider ordinary crew disturbances, such as we expect to find on board any ship in any port of any nationality at any time. I dare say there is no ship of any nationality that does not have a normal lot of disturbances among sailors while in port. Such disturbances may have no particular relationship to social philosophy or labor-organizational work. It is just a plain case of the men indulging in the usual liberties of shore leave. And we did not feel at that time that that was pertinent matter for this committee, but if the committee desires those cases in addition to more recent and more remote cases attributable to labor unrest, of course we are very happy to amplify your record with that material, and we shall furnish the committee, if desired, those cases, of which I have a sample file, gathered up here from 1929. We did not go back any further.

The CHAIRMAN. In response to what you said, Mr. Saugstad, I think that your own judgment is to be relied upon. You have had a remarkable experience not alone in connection with the Department of State, but formerly with the shipping industry and the Shipping Board, so you know exactly what the committee is seeking in order to be informed, and we will trust your judgment.

It is argued by the members of the C. I. O. union that conditions now are very much better; that if they are left alone to pursue their course that all these disorders will disappear. We hope that is true. But already the committee has discovered that on one line, the Black Diamond Line, according to testimony we have received, there has been a marked disorder and lack of discipline on the ships of that line. A witness from the union had testified previously that they had a very satisfactory arrangement with that line; that everything was now "apple pie." So you see our position, and we trust you to winnow out and present to us such material as you think best.

Mr. SAUGSTAD. I think I can assure the committee that the conditions which obtain today at sea on American ships are serious, and the field services, that is, the foreign services of the Government which are charged with the maintenance and the carrying on of the business of a vessel in foreign ports, need the constructive and the sympathetic assistance of the whole Government.

I believe I can amplify by saying that because of the lack of judicial decision on some of these border line questions which lie within the scope of social legislation and labor legislation, we have been reluctant to issue any hard and fast consular instructions, at least during the past 2 years. We have during the last 2 years, at least in conformity with the general approaching front of social philosophy as to labor and to conditions at sea as we see them in other countries, tried to instruct our consuls as to individual judgment in procedure.

This thing is not all a matter of law. It is a matter of adjustment of our own conditions and our own procedures I believe, to conditions as they obtain. We must recognize that seagoing personnel is the first type of labor to be subjected to other influences than our own national influences. I may now step out of the character of a Government official and step back to the time when I was the personnel officer of a large fleet of ships, when I did nothing for years but to deal with the question of the hiring and firing and adjustment of personnel on board on a fleet of 35 ships. I learned early that we cannot dictate entirely these processes from our own national viewpoint. We must accept the broader influences of the whole world which lie behind the industry which we call international shipping. We saw in the Baltimore case in regard to the *Algic* that the use of the word "mutiny" came under the judicial decision. That was discussed, and in the judge's charge, which I hope you have read, the law was quite sharply defined.

The CHAIRMAN. Is there not in addition to the written law a tradition of the sea, the law of the sea, which is quite generally recognized by all nations?

Mr. SAUGSTAD. The master of a vessel administers the law of the sea so far as that law supports him. All shipping documents, including the vessel's documents, are closely alined with the identity of the man who actually is responsible for the procedure of the vessel. That goes for the Government documents, that goes for the charter

parties, that goes for the bills of lading, and the various documents under which a ship operates and under which the financing of the business of a ship is conducted in international financial channels. For that reason the whole thing falls back upon the authority of the master, and through his officers down to the crew.

The CHAIRMAN. Does that tradition or practical application of common law, plus statutory law, make the master really the dictator on the ship right through so far as his orders are lawful?

Mr. SAUGSTAD. I believe under the law that it does so far as the law supports him. I think as a practical matter we should recognize that since vessels have been and are equipped with radio apparatus and that the vessels have contact with the shore organization, that there is thereby created an additional influence in the matter of the master's responsibility toward his owners. That is to say, a master goes to sea. He realizes that in a pinch he may radio his owners as to procedure. That may effect administration of discipline at least between the master and the owners of the vessel. That situation may mitigate the master's effectiveness on matters of discipline at sea. Up to that point there is no question that when the ship is out of sight of land there was but one ruler, and that is the master. But that does not change the status and responsibility of the master as a matter of law.

Senator ELLENDER. But is not the law which applies the law of the country whose flag is flown on the ship? For instance, suppose a ship is at sea, flying the American flag, is it not the law of the United States that covers in case of any mutiny or anything like that?

Mr. SAUGSTAD. Yes, sir.

Senator ELLENDER. And the master himself would have no jurisdiction except to obey that law?

Mr. SAUGSTAD. Yes.

Senator ELLENDER. And in case any crime is committed the law that governs is the law of the country whose flag is being flown on the ship?

Mr. SAUGSTAD. Yes.

I have here a decision referring to the maritime and admiralty jurisdiction of the United States, as to the extent of it, and the position of the vessel at sea or in any foreign port.

The CHAIRMAN. Is it an opinion which is quite generally supported, and is it your belief that that opinion contained the complete statement of the matter in question?

Mr. SAUGSTAD. I believe, Mr. Caffee, that this statement was included in the judge's charge in the *Algic* case, was it not, that he rested his case on it?

Mr. CAFFEE. I do not think it was specifically referred to, but it was a Supreme Court decision, a very important decision.

Mr. SAUGSTAD. At any rate if you want a citation for this position in the record we will secure the proper citation and insert it.

The CHAIRMAN. Thank you. We shall be glad to have you do so.

It is understood, Senator Thomas, that a certain amount of material which will be given us this morning is confidential, but we are going to make a complete report, and Mr. Saugstad will go over it tomorrow to make it conform to the wishes of the State Department.

(The citation presented by Mr. Saugstad for the record is here printed in full as follows:)

In reply refer to
FA 195.8 Padnsay

DEPARTMENT OF STATE,
Washington, May 12, 1933.

Subject: Offenses committed within admiralty and maritime jurisdiction.

To the AMERICAN CONSULAR OFFICERS AT SEAPORTS.

SIRS: There is enclosed for your information and guidance a copy of the decision of the Supreme Court of the United States, No. 567, April 10, 1933, in the case of the *United States of America, Appellant*, versus *Santos Flores*. This decision upholds the principle, that the courts of the United States may have jurisdiction over offenses committed on American vessels while in foreign waters.

Very truly yours,

WILBUR J. CARR
(For the Secretary of State).

Enclosure: Decision of Supreme Court, No. 567, April 10, 1933.

Consulate file No. 885.8.

Cross reference file No. 804.3.

SUPREME COURT OF THE UNITED STATES

No. 567.—October Term, 1932

The United States of America, Appellant, vs. *Santos Flores*. Appeal From the District Court of the United States for the Eastern District of Pennsylvania

[April 10, 1933]

Mr Justice STONE delivered the opinion of the Court.

By indictment found in the District Court for Eastern Pennsylvania, it was charged that appellee, a citizen of the United States murdered another citizen of the United States upon the S. S. "Padnsay", an American vessel, while at anchor in the Port of Matadi, in the Belgian Congo, a place subject to the sovereignty of the Kingdom of Belgium, and that appellee, after the commission of the crime, was first brought into the Port of Philadelphia, a place within the territorial jurisdiction of the District Court. By stipulation it was conceded, as though stated in a bill of particulars, that the "Padnsay", at the time of the offense charged, was unloading, being attached to the shore by cables, at a point two hundred and fifty miles inland from the mouth of the river.

The District Court, following its earlier decision in *United States ex rel Maro v. Mathues*, 21 F. (2d) 533, affirmed, 27 F. (2d) 518, sustained a demurrer to the indictment and discharged the prisoner on the ground that the court was without jurisdiction to try the offense charged. — Fed. —. The case comes here by direct appeal under the Act of March 2, 1907, c. 2564, 34 Stat. 1264, 18 U. S. C. § 682 and § 238 of the Judicial Code, as amended by Act of February 13, 1925, 28 U. S. C. § 335, the court below certifying that its decision was founded upon its construction of § 272¹ of the Criminal Code, 18 U. S. C. § 451.

Sections 273 and 275 of the Criminal Code, 18 U. S. C. §§ 452, 454, define murder and fix its punishment. Section 272, upon the construction of which the court below rested its decision, makes punishable offenses defined by other sections of the Criminal Code, among other cases, "when committed within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular state, on board any vessel belonging in whole or in part to the United States" or any of its nationals. And by § 41 of the Judicial Code, 28 U. S. C. § 102, venue to try offenses "committed upon the high seas or elsewhere out of the jurisdiction of any particular State or district," is "in the district where the offender is found or into which he is first brought." As the offense charged here was committed on board a vessel lying outside the territorial jurisdiction of a state, see *Wynn v. United States*, 217 U. S. 234; *United States v. Rodgers*, 150 U. S. 249, 265, and within that of a foreign sovereignty, the court below was without jurisdiction to try and punish the offense unless it was within the admiralty and maritime jurisdiction of the United States.

¹ § 272. "The crimes and offenses defined in this chapter shall be punished as herein prescribed:

"First When committed upon the high seas, or on any other waters within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State, or when committed within the admiralty and maritime jurisdiction of the United States and out of the jurisdiction of any particular State on board any vessel belonging in whole or in part to the United States or any citizen thereof, or to any corporation created by or under the laws of the United States, or of any State, Territory, or District thereof. * * *

Two questions are presented on this appeal, first, whether the extension of the judicial power of the Federal government "to all cases of admiralty and maritime jurisdiction," by Art. III, § 2 of the Constitution confers on Congress power to define and punish offenses perpetrated by a citizen of the United States on board one of its merchant vessels lying in navigable waters within the territorial limits of another sovereignty; and second, whether Congress has exercised that power by the enactment of § 272 of the Criminal Code under which the indictment was found.

The court below thought, as appellant argues, that as § 8 of Art. I of the Constitution specifically granted to Congress the power "to define and punish piracy and felonies committed on the high seas, and offenses against the law of nations," and "to make rules concerning captures on land and water," that provision must be regarded as a limitation on the general provision of § 2 of Art. III, that the judicial power shall extend "to all cases of admiralty and maritime jurisdiction"; that as the specific grant of power to punish offenses outside the territorial limits of the United States was thus restricted to offenses occurring on the high seas, the more general grant could not be resorted to as extending either the legislative or judicial power over offenses committed on vessels outside the territorial limits of the United States and not on the high seas.

Before the adoption of the Constitution, jurisdiction in admiralty and maritime cases was distributed between the Confederation and the individual states. Article IX of the Articles of Confederation provided that "the United States, in Congress assembled, shall have the sole and exclusive right and power . . . of establishing rules for deciding in all cases what captures on land or water shall be legal, . . . appointing courts for the trial of piracies and felonies committed on the high seas and establishing courts for receiving and determining finally appeals in all cases of captures . . ." So much of the general admiralty and maritime jurisdiction as was not included in this grant of power remained with the states. The powers thus granted were in substance the same as those later conferred on the national government by Article I, § 8 of the Federal Constitution. This section was adopted to carry out a resolution of the Convention "that the national legislature ought to possess the legislative rights vested in Congress by the Confederation." Its primary purpose and effect was to transfer to the newly organized government the powers in admiralty matters previously vested in the Confederation.¹

A proposal independently made and considered in the Convention that "the admiralty jurisdiction ought to be given wholly to the national government," resulted in the adoption of Article III, § 2, by which the judicial power of the United States was extended to all cases of admiralty and maritime jurisdiction.²

This section has been consistently interpreted as adopting for the United States the system of admiralty and maritime law, as it had been developed in the admiralty courts of England and the Colonies, and, by implication, conferring on Congress the power, subject to well recognized limitations not here material,³ to alter, qualify, or supplement it as experience or changing conditions may require.

¹ On July 16, 1787, the Convention agreed *non res* "that the national legislature ought to possess the legislative rights vested in Congress by the Confederation." This proposal was committed to the Committee of Detail in resolution VI of July 24th. The Committee, on August 6th in Article VII of their draft recommended a provision, based on the articles of Confederation, which as formulated by the Convention on August 17th and amended in matters not now material by the Committee on Style was included in Article I § 8 of the Constitution. See Madison's Diary, International Edition, pp. 200, 203, 240, 241, 415, 416.

² On June 5, 1787, Wilson stated to the Convention that he thought the admiralty jurisdiction should be given wholly to the national government. Resolution XVI, which was referred to the Committee on Detail on July 24th provided that the jurisdiction of the national judiciary "shall extend to cases arising under laws passed by the general legislature and to such other questions as involve the national peace and harmony." Wilson was one of the five members of the Committee on Detail chosen on July 24th which reported August 6th Article XI dealing with the jurisdiction of federal courts, and containing in § 2 a provision extending the jurisdiction of the Supreme Court "to all cases of admiralty and maritime jurisdiction" which was ultimately incorporated in § 2 of Article III of the Constitution, as finally adopted. Madison's Diary, International Edition, pp. 41, 236, 317, 318, 344.

³ In *Panama R. R. Co. v. Johnson* 264 U. S. 375, 386, 387 the Court said "When all is considered, therefore, there is no room to doubt that the power of Congress extends to the entire subject and permits of the exercise of a wide discretion. But there are limitations which have come to be well recognized. One is that there are boundaries to the maritime law and admiralty jurisdiction which inhere in those subjects and cannot be altered by legislation as by excluding a thing falling clearly within them or including a thing falling clearly without. Another is that the spirit and purpose of the constitutional provision require that the enactments when not relating to matters whose existence or influence is confined to a more restricted field as in *Cooley v. Board of Wardens*, 12 How. 299, 319, shall be coextensive with and operate uniformly in the whole of the United States. *Warner v. Clarke* 4 How. 441, 457. *The Lottawanna* 21 Wall. 559, 574, 577; *Butler v. Boston & Savannah S. S. Co.* 130 U. S. 527, 536, 557. In re *Garnett*, 141 U. S. 12. *Southern Pacific Co. v. Jensen*, 244 U. S. 205, 215, *Knickerbocker Ice Co. v. Stewart*, 253 U. S. 149, 164. *Washington v. Dawson & Co.*, 204 U. S. 219. 2 Story Const., 5th ed., §§ 1003, 1004, 1072."

Panama R. R. Co. v. Johnson, 204 U. S. 375, 386, 388, *Crowell v. Benson*, 285 U. S. 22, 39; see *The Oconee*, 240 Fed. 927; *United States v. Herens*, 3 Wheat. 330, 339.

In view of the history of the two clauses and the manner of their adoption, the grant of power to define and punish pirates and felonies on the high seas cannot be deemed to be a limitation on the powers, either legislative or judicial, conferred on the national government by Article III, § 2. The two clauses are the result of separate steps independently taken in the Convention, by which the jurisdiction in admiralty, previously divided between the Confederation and the States, was transferred to the national government. It would be a surprising result, and one plainly not anticipated by the framers or justified by principles which ought to govern the interpretation of a constitution devoted to the redistribution of governmental powers, if part of them were lost in the process of transfer. To construe the one clause as limiting rather than supplementing the other would be to ignore their history, and without effecting any discernible purpose of their enactment, to deny to both the states and the national government powers which were common attributes of sovereignty before the adoption of the Constitution. The result would be to deny to both the power to define and punish crimes of less gravity than felonies committed on vessels of the United States while on the high seas, and crimes of every grade committed on them while in foreign territorial waters.

As we cannot say that the specific grant of power to define and punish felonies on the high seas operated to curtail the legislative or judicial power conferred by Art. III, § 2, we come to the question principally argued, whether the jurisdiction over admiralty and maritime cases, which it gave, extends to the punishment of crimes committed on vessels of the United States while in foreign waters. As was pointed out by Mr. Justice Story, in the course of an elaborate review of the history of admiralty jurisdiction, in *DeLoe v. Hort*, 7 Fed. Cas. 418, 438, admiralty "from the highest antiquity has exercised a very extensive criminal jurisdiction and punished offenses by fine and imprisonment."¹ The English courts have consistently held that jurisdiction is not restricted to vessels within the navigable waters of the realm, but follows its ships upon the high seas and into ports and rivers within the territorial jurisdiction of foreign sovereigns. *Queen v. Carr & Wilson*, 10 Q. B. D. 76, *Queen v. Anderson*, L. R., 1 Crown Cases Reserved 161, *Rez v. Allen*, 1 Moody C. C. 494; see *Rez v. Jemat*, 1 Russell on Crimes, 4th ed. 153.

The criminal jurisdiction of the United States is wholly statutory, see *United States v. Hudson*, 7 Cranch 32, but it has never been doubted that the grant of admiralty and maritime jurisdiction to the federal government includes the legislative power to define and punish crimes committed upon vessels lying in navigable waters of the United States. From the very organization of the government, and without intermission, Congress has also asserted the power, analogous to that exercised by English courts of admiralty, to punish crimes committed on vessels of the United States while on the high seas or on navigable waters not within the territorial jurisdiction of a state. The Act of April 30, 1790, c. 9, § 8, 1 Stat. 112, 113, provided for the punishment of murder committed "upon the high seas or in any river, haven, basin or bay out of the jurisdiction of any

¹ In England various offenses committed "upon the sea, or in any other haven, river, creek, or place where the admiral or admirals have or pretend to have power, authority, or jurisdiction" were, after the statute 27 Henry VIII c. 4 and 34 Henry VIII c. 15, tried according to the course of the common law before specially constituted admiralty courts, the judges of which were designated to sit by the Lord Chancellor. They were often common law judges who sat as commissioners for the trial of crimes within the admiralty and maritime jurisdiction. Holdsworth, History of English Law, 4th ed., Vol. 1, 220-222; Hale, Pleas of the Crown, Vol. 11, 17; Stephen, History of Criminal Law of England, Vol. 11, 16-23; cf. Breaks, Trial of Captain Kidd 40, 57. There is evidence that during the seventeenth century the courts of Virginia and Maryland tried felonies and pirates which in England would have been within the jurisdiction of the Admiralty Commissioners. See Crump, Colonial Admiralty Jurisdiction in the Seventeenth Century, 78. The practice under the statute 27 Henry VIII, c. 15, was extended to the Colonies in cases of piracy felonies, and robberies, by statute 11 and 12 William III, c. 7. See 2 Stephen, *supra*, 20. In Virginia, very shortly before the enactment of this statute, an act was passed adopting the provisions of the statute of Henry VIII, 2 Henning, Statutes at Large of Virginia, 178. For instances of minor offenses prosecuted in the Colonial Courts of Vice Admiralty in the eighteenth century, see Hough's Cases in Vice-Admiralty and Admiralty; *King v. Heath* (1730) p. 12; *King v. Burgess* (1740) p. 6; *King v. White* (1744) p. 81. Eighteenth century Vice-Admiralty commissions in the Colonies contain verbal grants of jurisdiction over crimes within the admiralty jurisdiction. Publications of Colonial Society of Massachusetts, vol. 11, 237, 730; Benedict on Admiralty, 348 Fed. 787-811. Record Book of Maryland Court of Vice-Admiralty in Manuscripts Division of the Library of Congress, fol. 74, 82. And there is evidence of the trial of pirates in the Colonies, see Jameson, Privateering and Piracy in the Colonial Period, pp. 143, 273, note 1, 308, note 1, and pp. 377 to 380. Compare Rhode Island Letters from Governors in America, 1780, P. R. O. C. O. 3, 17, p. 430 (Ms. copy in Library of Congress) which indicates a trial at Providence for murder on the high seas in a special admiralty court constituted under the statute 11 and 12 William III. Captain Kidd, who was arrested in Boston prior to 1701 for murder and piracy on the high seas, was transported to England for trial before an admiralty court organized pursuant to royal commission (see 14 Howell's State Trials, 128, 147, 161) and this practice may well have continued after the statute of William III.

The appellee insists that even though Congress has power to define and punish crimes on American vessels in foreign waters, it has not done so by the present statute, since the criminal jurisdiction of the United States is based upon the territorial principle and the statute cannot rightly be interpreted to be a departure from that principle. But the language of the statute making it applicable to offenses committed on an American vessel outside the jurisdiction of a state "within the admiralty and maritime jurisdiction of the United States" is broad enough to include crimes in the territorial waters of a foreign sovereignty. For Congress, by incorporating in the statute the very language of the constitutional grant of power, has made its exercise of the power co-extensive with the grant. Compare *The Hine v. Trevor*, 4 Wall. 555.

It is true that the criminal jurisdiction of the United States is in general based on the territorial principle, and criminal statutes of the United States are not by implication given an extra-territorial effect. *United States v. Bowman*, 260 U. S. 94, 98; compare *Blackmer v. United States*, 284 U. S. 421. But that principle has never been thought to be applicable to a merchant vessel which, for purposes of the jurisdiction of the courts of the sovereignty whose flag it flies to punish crimes committed upon it, is deemed to be a part of the territory of that sovereignty, and not to lose that character when in navigable waters within the territorial limits of another sovereignty. *United States v. Rodgers*, *supra*; compare *Thomas v. Lane*, 2 Sumner 1; *Queen v. Anderson*, *supra*; *Queen v. Carr & Wilson*, *supra*; *Rex v. Allen*, *supra*; *Rex v. Jenot*, *supra*. This qualification of the territorial principle in the case of vessels of the flag was urged by Mr. Webster while Secretary of State, in his letter to Lord Ashburton¹ of August 1, 1842, quoted with approval in *United States v. Rodgers*, *supra*, 264, 265. Subject to the right of the territorial sovereignty to assert jurisdiction over offenses disturbing the peace of the port, it has been supported by writers on international law, and has been recognized by France, Belgium, and other continental countries, as well as by England and the United States. See Moore, *International Law Digest*, Vol. 2, 287, 297; Fiore, *International Law Codified*, translated by E. M. Borchard, 192, 193; Wheaton, *International Law*, Vol. 1, 245; Hall, *International Law*, 8th Ed. 253-254; Jessup, *The Law of Territorial Waters*, 144-193.

In view of the wide recognition of this principle of extra-territorial jurisdiction over crimes committed on merchant vessels and its explicit adoption in *United States v. Rodgers*, *supra*, we cannot say that the language of the present statute punishing offenses on United States vessels out of the jurisdiction of a state, "when committed within the admiralty and maritime jurisdiction of the United States," was not intended to give effect to it. If the meaning of the statute were doubtful, the doubt would be resolved by the report on these sections by the Special Joint Committee on the Revision of the Laws, 60th Congress, 1st Sess., Rep. 10, part 1, p. 10, in which it was pointed out that the jurisdiction extends to vessels of the United States when on navigable waters within the limits of a foreign state, and "all cases arising on board such vessels while on any such waters are clearly cases within the admiralty and maritime jurisdiction of the United States."

A related but different question, not presented here, may arise when jurisdiction over an offense committed on a foreign vessel is asserted by the sovereignty in whose waters it was lying at the time of its commission, since, for some purposes, the jurisdiction may be regarded as concurrent, in that the courts of either sovereignty may try the offense.

¹ "It is natural to consider the vessels of a nation as parts of its territory, though at sea, as the State retains its jurisdiction over them, and, according to the commonly received custom, this jurisdiction is preserved over the vessels even in parts of the sea subject to a foreign dominion. This is the doctrine of the law of nations, clearly laid down by writers of received authority, and entirely conformable, as it is supposed, with the practice of modern nations. If a murder be committed on board of an American vessel by one of the crew upon another or upon a passenger, or by a passenger on one of the crew or another passenger, while such vessel is lying in a port within the jurisdiction of a foreign State or sovereignty, the offense is cognizable and punishable by the proper court of the United States in the same manner as if such offense had been committed on board the vessel on the high seas. The law of England is supposed to be the same. It is true that the jurisdiction of a nation over a vessel belonging to it, while lying in the port of another, is not necessarily wholly exclusive. We do not consider or so assert it. For any unlawful acts done by her while thus lying in port, and for all contracts entered into while there, by her master or owners, she and they must doubtless be answerable to the laws of the place. Nor, if her master or crew, while on board in such port, break the peace of the community by the commission of crimes, can exemption be claimed for them. But, nevertheless, the law of nations, as I have stated it, and the statutes of governments founded on that law, as I have referred to them, show that enlightened nations, in modern times, do clearly hold that the jurisdiction and laws of a nation accompany her ships not only over the high seas, but into ports and harbors, or wherever else they may be water-borne, for the general purpose of governing and regulating the rights, duties, and obligations of those on board thereof, and that, to the extent of the exercise of this jurisdiction, they are considered as parts of the territory of the nation itself." 6 Webster's Works, 306, 307.

There is not entire agreement among nations or the writers on international law as to which sovereignty should yield to the other when the jurisdiction is asserted by both. See Jessup, the Law of Territorial Waters, 144-193. The position of the United States, exemplified in *Wildenhus's Case*, 120 U. S. 1, has been that at least in the case of major crimes, affecting the peace and tranquillity of the port, the jurisdiction asserted by the sovereignty of the port must prevail over that of the vessel. In that case the Belgian Consul sought release on habeas corpus of *Wildenhus*, a seaman, who was held in a New Jersey jail on a charge of homicide committed on a Belgian vessel lying in New Jersey waters, on the ground that Article XI of the Convention between Belgium and the United States of March 9, 1880, 21 Stat. 781, gave consular officers of the sovereignty of the vessel sole cognizance of offenses on board ship, except those of a nature to disturb the tranquillity and public order on shore and those involving a person not belonging to the crew. The court construed the Convention as inapplicable to the crime of murder and upheld the jurisdiction of the local court as conforming to the principles of international law. It said, p. 12:

"And so by comity it came to be generally understood among civilized nations that all matters of discipline and all things done on board which affected only the vessel or those belonging to her, and did not involve the peace or dignity of the country, or the tranquillity of the port, should be left by the local government to be dealt with by the authorities of the nation to which the vessel belonged as the laws of that nation or the interests of its commerce should require. But if crimes are committed on board of a character to disturb the peace and tranquillity of the country to which the vessel has been brought, the offenders have never by comity or usage been entitled to any exemption from the operation of the local laws for their punishment, if the local tribunals see fit to assert their authority." This doctrine does not impinge on that laid down in *United States v. Rodgers*, *supra*, that the United States may define and punish offenses committed by its own citizens on its own vessels while within foreign waters where the local sovereign has not asserted its jurisdiction.¹⁰ In the absence of any controlling treaty provision, and any assertion of jurisdiction by the territorial sovereign, it is the duty of the courts of the United States to apply to offenses committed by its citizens on vessels flying its flag, its own statutes, interpreted in the light of recognized principles of international law. So applied the indictment here sufficiently charges an offense within the admiralty and maritime jurisdiction of the United States and the judgment below must be

Reversed.

A true copy.

Test:

Clerk, Supreme Court, U. S.

Mr. SAUGSTAD. If it is the desire of the committee to have included in the record the other cases of disciplinary disturbances on board ships, as reported to us from the various foreign ports, we shall be very glad to insert whatever records you please, or excerpts from them which are pertinent. Some of them are rather lengthy, and I do not know that you want to clutter up the record with a great deal of repetitive stuff.

The CHAIRMAN. You are referring to rather recent cases, are you, Mr. Saugstad?

Mr. SAUGSTAD. We can go back as far as you want us to go back. The cases referred to were such as occurred in the last few years, and we have some that amplify those cases and go back to 1929, bearing upon various points.

The CHAIRMAN. What is the view of the committee? It would seem to me that the more recent cases are the ones that we are interested in. Is that not true?

Senator ELLENDER. The recent cases usually cite the older cases, do they not?

The CHAIRMAN. No; these are cases of disorder.

¹⁰ That the doctrines are not in conflict was pointed out by Webster in his letter to Lord Ashburton, quoted *supra* note 9. See also Hall, *International Law*, 8th ed., 235-256.

Senator ELLENDER. I thought you meant cases decided by the courts.

The CHAIRMAN. No.

Senator THOMAS of Utah. If they are labor cases I think the recent cases are the ones we want. Of course, I hope we are in a temporary labor situation which is not going to last forever, but we have an entirely different labor status since the passage of the Wagner Act than we had before, that is sure. And the operations of the Labor Relations Board are still to be determined in the future, that is, how they are going to work. Surely any legislation which we are acting upon today would be legislation in relation to this great fundamental, would it not?

The CHAIRMAN. That is correct. I suppose in view of that fact, that if we could have some of the more remote cases to contrast with the present we can see how the new act is functioning.

Senator THOMAS of Utah. Yes. As was suggested yesterday, probably the officer is just as much at fault as the laborer. If you are going to have a merchant marine you have got to have personnel to run it, that is sure. The question that is in my mind, after listening to a number of things and after observing, is as to whether the people of our country are merchant-marine conscious to the extent that the young boys will ever seek a career on the sea again, or whether we are going to be dependent upon foreigners. I have been on four American liners, but I have not yet been waited on at the table by a man who could speak English very well. I have never had an American wait on me on an American liner. If we in the United States are never going to produce any boys who are interested in becoming ship's stewards, what are we going to about it.

The CHAIRMAN. I suppose a direct reply to that lies in this. Conditions on ships in what we may call the old days—and I do not mean by that 100 years ago, but I mean a few years ago—the physical conditions, the surroundings of the men, were such that no self-respecting American youth would submit to the living conditions. We hope that we have reached the point by our legislation that in the construction of ships and in the reconstruction of existing ships, the living quarters will be such that they will attract our boys, and of course should. In our recent laws we have provided that on subsidized freight ships 100 percent of the crew shall be Americans. On subsidized passenger ships we have the law that 90 percent of the crew must be Americans, and all the licensed officers must be Americans, but that there will be some latitude in the steward's department in order that our ships may cater to passengers of French-speaking and German-speaking and Spanish-speaking and other nationalities. But it has been the ambition, Senator Thomas, of this committee to reach the point where we could have 100 percent Americans upon our ships.

Before you came in Mr. Saugstad had discussed in an illuminating way the duties of the master and what his attitude is. I think that harmonizes with what you had in mind. He spoke of a thing which I confess I had not thought seriously of: that the master's responsibility now is somewhat divided by reason of the fact that he has the radio, and he is in contact with, or can be in contact with, the owners of the ship. But still the fact remains, I think, that so far as his orders are lawful the master of the ship is "boss"; and if he does

not function properly and if he is not supported in his acts as the master of the ship, then discipline is sure to break down.

The question now is: How far back do we care to go in this matter of the record? Have you any choice in the matter, Senator Thomas?

Senator THOMAS of Utah. No; I have no choice.

The CHAIRMAN. Suppose then, Mr. Saugstad, you yourself select some typical cases a few years back and then we will trust your judgment wholly as to the material, and giving us excerpts which will be of value.

Senator MALONEY. At this point I should like to ask one question which I previously asked, if I may. In this committee we are trying to find, as so many other people are, an answer to this problem of the sea. I am wondering how much conditions on the ships, conditions that the men are compelled to submit to, are responsible for troubles? I mean their living conditions, the sanitary conditions, the food and other conditions. Would you want to talk about that, or would you prefer not to do so? I ask that only because of your very unusual experience in connection with ships. I myself have the feeling that the bad conditions have been somewhat provoked by the living conditions of these men.

Mr. SAUGSTAD. You used the term "somewhat provoked." I think I endorse that statement without any question. I would not be prepared to go the whole length and say that they are the sole cause, but there is no question that conditions that obtain upon a large number of vessels have contributed very much to keeping away from such vessels the element which I believe the committee would like to see go to sea. Consequently you are inviting a type of personnel to go to sea which is not perhaps what you are trying to obtain. I mean the kind of sailors you would like to see are not actually going to sea, very largely on account of those conditions.

Those conditions, in turn, have a reason. We must not forget that so far as we are concerned in this country we acquired 2,000 ships in less than 24 months, and they were slapped together without any thought of anything else except a voyage across the North Atlantic. The great preponderance of the fleet still consists of those ships, despite the fact that those ships compete with vessels which have very largely been built since that time, and which offer living conditions and social conditions entirely different from those that our vessels were designed for. There is just no help for the present situation, as I see it. We could not possibly ask the shipowner to change these old vessels to modern conditions. It would not pay to do so. But I believe everyone is agreed that when new ships are built the conditions under which men live on board ship should be very much altered to meet modern conditions.

Senator MALONEY. I am wondering if that statement is entirely correct, if it would be unprofitable to make the changes in view of the horrible conditions with which we are familiar.

Mr. SAUGSTAD. What I have in mind, Senator, is this: I believe the majority of these ships is about ready to be let go. In other words, they are 17, 18, and 19 years old, and it is a question of commercial judgment as to whether it would pay to expend a fairly large sum of money to get these ships into condition. I am not talking now about the ships that have been built during the past 10 years. I am speaking about the ones that were built in 1919 and 1920, which are on their very last legs, so to speak.

12 The CHAIRMAN. We read in the newspaper this morning that Mr.
1 Kennedy is on his way to San Francisco to seek to rehabilitate finan-
1 cially the Dollar Line, which has been in possession of some of our
1 greater ships.

1 Senator MALONEY. I have also heard some things about them
1 which are not too good.

1 The CHAIRMAN. That is true. We have in our fleet only 41
1 modern ships less than 10 years of age, while the British have 704
1 modern ships, the Germans have 132, the Japanese have 115, the
1 French have 64, and the Italians have 42. Our ship lines have been
1 just one jump ahead of the sheriff, and I guess the sheriff has caught
1 up with some of them.

1 Senator MALONEY. I am beginning to come to the conclusion,
1 Mr. Chairman, that our shipowners and operators have not a sufficient
1 pride in their lines and their business.

1 The CHAIRMAN. With regard to some shipowners you can go as
1 far as you wish and not hurt my feelings about them. Of course,
1 the situation is a financial one, and, as Mr. Saugstad has said, most of
1 these ships that we are now operating were built during the war.
1 We had only 17 ships in trans-Atlantic travel at the time of the out-
1 break of the war. Just think of that. If it had not been for the
1 providential fact that a number of German ships were in our ports at
1 the time war broke out we never could have taken our expeditionary
1 force to Europe. But there has been a combination of circumstances
1 which has made it mighty hard for America to develop an American
1 merchant marine. I am yet to be convinced that it can be done.
1 However, you are the witness, Mr. Saugstad.

1 Now you use your judgment, then, about the excerpts from cases
1 which may be called remote cases.

1 Will you continue your statement?

1 Mr. SAUGSTAD. I shall be very glad to do so.

1 The CHAIRMAN. Before you proceed I would like to ask one ques-
1 tion: Are the ships which we now possess, which are of the same
1 period of construction, any worse than the ships of the same period
1 of construction of other nations?

1 Mr. SAUGSTAD. I do not think so. I think we see that in the case
1 of those nations which operate ships in the indirect trades—that is,
1 who build ships at home and then send them abroad to operate
1 between foreign ports only—ships that rarely return to their home
1 port have better conditions than are found on other ships. I believe
1 you will find that living conditions on board those ships are somewhat
1 better, as a whole, than on ships that return to their home port
1 regularly, where crews can be changed and where we expect a larger
1 turn-over.

1 For instance, ships of the oil-tanker type, which are at sea all the
1 time, are inclined to have better food conditions, better living condi-
1 tions, better social conditions in the terms of entertainment, libraries,
1 radios, and so forth, than ships that merely run in the direct trade
1 from one port to a foreign port and return. For that reason, nations,
1 especially the northern nations, which send a great many of their
1 ships into the indirect trades for long periods of time, are probably
1 the leaders in these better living conditions and working conditions
1 on board ship.

1 We have just received and laid before the Maritime Commission
1 the new food regulations of Norwegian ships, and they are very com-

prehensive and very thorough. We have just received a revision of the prohibition against use of liquor on board Norwegian passenger ships. These countries recognize that they must make living conditions more attractive to ships that do not return home because these nations largely use their fleets in indirect trades and in foreign countries entirely. They are, I believe, possibly better equipped than ships that are running in the direct trades. Since our particular construction has been limited to the period since the Jones-White Act of 1928, we have not made much of a dent as yet in meeting those same conditions; I mean living conditions on board ship. But my understanding is that the Maritime Commission is proceeding to inspect all its own vessels and is making all the alterations that they feel are justifiable in the ships that they expect to continue to operate. What the technical facts are, or the actual conditions, I do not know.

Senator GIBSON. In the class of ships that do not return to their home ports do you include tramp freighters?

Mr. SAUGSTAD. I am thinking more specifically, Senator, of the tanker trade. The tanker trade is the big influence in this direction. The other ships that I have in mind are really in liner services, because they stay on definite routes for 1 or 2 or 3 years. The tramp ships are still itinerants, and I would not want to say that the tramp ships carry the improvements of the ships engaged in liner trade. Usually a tramp ship is a ship which has a lower market value and is picked up from other lines. I think a minimum number of ships are designed and built for the tramp service, at least, at this time. As long as war-built tonnage is available I believe that certain tramp-ship countries rely very largely on those ships for their tonnage requirements.

Senator GIBSON. In building a merchant marine is it not true that the Japanese Nation is making more rapid strides than almost any other nation?

Mr. SAUGSTAD. Do you mean in terms of equipment?

Senator GIBSON. Of ships and equipment too.

Mr. SAUGSTAD. You do not mean in numbers?

Senator GIBSON. The numbers and the equipment.

Mr. SAUGSTAD. I am not prepared to say what the numerical position is, but there is no question but that the construction under the 1932-35 program, brought out a very fine group of ships, and a subsequent program brought out a smaller group, ships which were considered among the most successful group construction projects that we have ever had. I testified at length on that subject before the Merchant Marine Committee of the House 2 years ago at the time the program was under way. Since that time there have been projects of, I believe, two more similar construction programs in Japan. I am not certain that either has gone into effect. But the first two brought out a number of very high-class, very fast, and supposedly very efficient ships.

Senator GIBSON. Well equipped?

Mr. SAUGSTAD. Well equipped.

Senator GIBSON. Is that not true of Germany also?

Mr. SAUGSTAD. I believe so.

The CHAIRMAN. Now to return to the labor conditions.

Senator GIBSON. Pardon me, Mr. Chairman.

The CHAIRMAN. No, no, Senator. I am glad you asked the questions you did, because we will need this information.

Have you more you wish to say now on the labor matter, Mr. Saugstad?

Mr. SAUGSTAD. I do not believe I have anything else to say, Senator. In view of the changing philosophy that is going on at the present time in this country, as well as in other countries, I might read a paragraph or two from a statement that I made before the American Merchant Marine Conference in Boston, Mass., September 29, 1936, which relates more nearly to the social requirements and development than it does to anything else, because it points toward a different era at sea. We are right now in the development stages of that, and it is very difficult for us to answer the questions that are asked by the consular service, in foreign ports, because there is no fixation to the present development that we can rest on.

I think if I may insert in the record about two paragraphs here as a summary of some things we see in the offing, and which I believe should properly be a part of the present considerations of this Government, it would be well to do so.

The CHAIRMAN. We would be glad to have you do that, Mr. Saugstad.

Mr. SAUGSTAD. This statement is from an address made before the Propellor Club at the American Merchant Marine Conference in Boston, Mass., on September 29, 1936, and it reads as follows:

Finally, may I point to one more factor in connection with the operation of subsidized shipping, a factor which many of us believe is part of a world-wide movement, a factor which is becoming recognized in the costs of operation of ships and which recently has become measurable in terms of public expenditures required to meet it. I refer to the increasing adoption of maritime nations of social legislation as applied to sea-going personnel. Personally, I believe that no problem in shipping at this time is more potent in its possibilities, or will require more intelligent management by those charged with the administration of national policy in regard to shipping. Systems of working conditions, wages, manning scales, social insurance, pensions, and forms of compensation are in force in maritime countries and in some countries they are part of the subsidy system.

Without discussing the discernible advancing front of this movement in international shipping, I may say that at the Preliminary Maritime Session of the International Labor Conference, held at Geneva in 1935, the question of an international convention on manning and the adoption of a 48-hour week was discussed largely on the basis of the French 8-hour law which has been in force for a number of years and which is consistently used by French statesmen in support of the subsidy system of that nation. Since last November, however, the French Government has adopted a 40-hour week, and the proposed application of this, plus other concessions to sea-going personnel, has now been recognized by the French Parliament in terms of extra appropriation and extra subsidy. For the current year, the regular budget of the French Government covering merchant marine services carried roughly an amount of 475 million francs. During the past 60 days, an additional allowance of 110 million francs has been allotted by Parliament simply to meet the additional charges imposed upon French shipowners by the new 40-hour week, increase in pay, allowance for overtime, and vacation with pay. In other words, of a total annual appropriation now available to French shipping of nearly 600 million francs, or about 40 million dollars, more than 20 percent is chargeable to social legislation.

I insert that in the record, Mr. Chairman, because it summarizes a number of conferences held at Geneva, at which the United States was represented, and from which emanated six resolutions as to working conditions, manning scales, pay, and other conditions under which sailors work. Those conventions eventually will be laid before the Senate for consideration.

Senator THOMAS of Utah. Where are they now?

Mr. SAUGSTAD. They are in the process of the Government making comments upon them.

Senator THOMAS of Utah. Did we sign them in Geneva?

Mr. SAUGSTAD. I do not recall what our numerical position is on those. But there is a definite international effort being made to meet these conditions and to recognize the international aspect of shipping.

The CHAIRMAN. In defense of this committee I want to say that following our work in connection with safety at sea our subcommittee on personnel, headed by Admiral Hamlet, who is present, has formulated advanced ideas regarding hours of work, living conditions, and food. So we do not want the idea to prevail that this committee has not been aware of the social progress demanded, and properly so.

Mr. SAUGSTAD. I was about to suggest, Senator, that we hope we can have the advantage of the work that this particular subcommittee has done to my certain knowledge during the past year in answering the questions we are obliged to answer, and which are now being asked by the consular service. The progress of these conventions has not reached the stage where they have come up here for consideration as yet.

The CHAIRMAN. Of course Mr. Saugstad, the sailormen must realize all the problems involved in the reconstruction of our fleet, particularly the reconstruction of our old vessels. They must have the spirit of cooperation. Perhaps we may say that they must have the spirit of watchful waiting. I should not be satisfied to have any new ships built unless they were so built that all these modern conditions would be wholly met, and I know that the report which has been made on construction of ships by the committee which has been working on that subject, has been followed by the Maritime Commission in the building of this big new ship, and also in connection with the plans of smaller ships which are contemplated to be built.

Mr. SAUGSTED. I believe you will find that the shipping industry the world over is recognizing all these conditions and taking the necessary steps to meet them.

The CHAIRMAN. Mr. Saugstad, an official of the Government has said that discipline does not exist on American ships. What have you to say about that?

Mr. SAUGSTAD. I cannot make any statement which would commit the Department to a position on that. I can merely repeat for the record some of the questions that are being asked us, for whatever value they may have, if you would like to have them in the record.

The CHAIRMAN. We would be glad to have that. We would be happy to have an individual opinion of your own on the subject, gained from your own wide experience.

Mr. SAUGSTAD. We can summarize I believe practically the whole of our line of reporting on this subject into four questions.

One. Is a sit-down strike on an American vessel on a continuous voyage legal? If not, what remedy is provided by law? What is the effect on the vessel if the vessel is carrying mail?

Two. Is the vessel on call at a foreign port while on a continuous voyage to be considered as on the high seas for the purposes of the navigation laws?

Three. Is the action of calling a strike to be considered as depriving the master of rightful command, and therefore mutiny?

Four. In the event in compliance with an order from the master the engineer officers attempt to turn on steam on the winches in a foreign port, and are prevented by the crew: Question: Is that mutiny?

The CHAIRMAN. You might add to that, Mr. Saugstad: If the engineers refuse to turn on the steam is that mutiny?

Senator GIBSON. Some of those questions call for legal conclusions in admiralty law.

Mr. SAUGSTAD. I know of no case where an engineer officer has refused to do that.

The CHAIRMAN. That was the case of the *Atlantic* where the engineers turned off the steam.

Mr. SAUGSTAD. Engineer officers?

The CHAIRMAN. They were the engineer and deck officers. But the reason no action was taken by the Steamboat Inspection Bureau was because the captain did not order them to do it. Yet they neglected an obvious duty and left the vessel in a state of unpreparedness and with a meance to safety by their overt act.

My attention has been called to this printed document headed "International Labour Organisation" and I read article 2:

The business of finding employment for seamen shall not be carried on by any person, company, or other agency, as a commercial enterprise for pecuniary gain; nor shall any fees be charged directly or indirectly by any person, company, or other agency, for finding employment for seamen on any ship.

The law of each country shall provide punishment for any violation of the provisions of this article.

Our laws prescribe that hiring shall be done by the shipping commissioners, and yet one of the demands of the C. I. O. union is that their own hiring halls shall be used for the purpose of selection of seamen, and they demand a system of rotation, so that the shipowner is no longer to keep in his employment men who may have been in such employment for years and proven by their efficiency that they should be continued. On the other hand, I notice that is one of the things which is frowned upon by these proposals.

Senator DONAHEY. Mr. Chairman, has there been any evidence that will tend to show whether a completely unionized ship secures an inferior or a superior class of labor?

The CHAIRMAN. Senator Donahey, before I answer that question may I insert article 6 from this printed book headed "International Labour Organisation"?

Senator DONAHEY. Certainly.

The CHAIRMAN. Article 6 reads as follows:

In connection with the employment of seamen, freedom of choice of ship shall be assured to seamen and freedom of choice of crew shall be assured to shipowners.

Now, Senator Donahey, may I have your question?

Senator DONAHEY. Just let the committee reporter read it.

(The question above was read.)

The CHAIRMAN. Yes; but suppose we see what the witness has to say.

Mr. SAUGSTAD. I am quite certain that I have no information to give on that subject. In other words, I do not know.

Senator THOMAS of Utah. Well, isn't the closed shop idea rather a new one so far as American shipping is concerned?

Mr. SAUGSTAD. I believe so, comparatively.

Senator THOMAS of Utah. That is, within the last little while, isn't it?

Mr. SAUGSTAD. I think so.

The CHAIRMAN. There has, of course, been for years the Seamen's Union, of which dear old Andrew Furuseth was the head. He was working always for the cause of seamen, but never went as far as the modern union in its demand that it should be a closed shop.

Senator THOMAS of Utah. That is, you mean the closed-shop idea?

The CHAIRMAN. Yes. Have you anything to add, Mr. Saugstad?

Mr. SAUGSTAD. Mr. Chairman, I do not believe I have anything else to say.

The CHAIRMAN. Senator Thomas, have you any questions to ask the witness?

Senator THOMAS of Utah. No.

The CHAIRMAN. Senator Ellender, any questions?

Senator ELLENDER. No.

The CHAIRMAN. Senator Gibson, any questions?

Senator GIBSON. No.

The CHAIRMAN. Is there anything more at this time?

Mr. SAUGSTAD. Mr. Chairman, you have asked us questions, and we are trying to formulate answers.

The CHAIRMAN. And are you going to formulate answers for us?

Mr. SAUGSTAD. Yes, sir; the answers will be in the form of instructions to the Consular Service. We will try to get them in the process now going on, of instructions now being given or of consideration now being given to those questions in connection with the Maritime Commission's recommendations. That is the reason I have not the real answer, and I would not like to make any preliminary answer until we have the final answer.

The CHAIRMAN. Well, they are very important questions that you are working on. I suppose the answers to those questions and the carrying out of the conclusions mean the fate of the American merchant marine.

Senator THOMAS. I suppose some of us are anxious to hear the investigation tomorrow relating to General Motors. So perhaps we will not have another meeting this week. But before we close today let me ask: Mr. Saugstad, yesterday Commander Field stated that the consul at Hong Kong was investigating the *Hoover* case. Do you know or have you any later information about that than we received from the Maritime Commission?

Mr. SAUGSTAD. Well, I do not know what information you received through the Maritime Commission, but Mr. Caffee, sitting here, has exchanged a number of telegrams on that subject. I have seen them, but I have hardly any recollection of what their content is, and am sure he is in better position to discuss the steamship *Hoover* case.

The CHAIRMAN. Mr. Caffee, will you be good enough to inform us about it?

Mr. CAFFEE. If you refer to the crew troubles and crew discipline I will discuss that phase of it, or read to you a few telegrams.

The CHAIRMAN. Please do so.

Mr. CAFFEE. The first is a letter from the Department of Commerce under date of December 17, which says:

In view of certain reports in the press alleging gross misconduct on the part of members of the crew of the S. S. *President Hoover* incident to the recent grounding

of that vessel in the vicinity of Formosa (Taiwan) and because of the requirements under the law that this Department shall investigate the stranding of the ship, and also any alleged misconduct in connection therewith, it is desired to obtain as soon as possible sworn statements of the passengers and of members of the crew of the *President Hoover* relating to such alleged cases of misconduct.

And then it goes on to say—but the rest of it is not particularly important. On the basis of this we sent telegrams to different people, to the High Commissioner at Manila, and to the consuls at Hong Kong and Kobe, and have received a few replies. The case is still pending. We have not received affidavits as yet. I can read a few of these replies that will tell the present status of the case.

The CHAIRMAN. Please do so.

Mr. CAFFEE. This is a telegram dated December 21, 1937, from Kobe:

Hong Kong has telegraphed Department's telegram December 20, 5 p. m. concerning conduct crew members of the *Hoover*. As officers and crew of the *Hoover* are understood to be on *President McKinley* which had left Hong Kong before the Department's telegram was received the consul general at Hong Kong suggested that this consulate may desire to take sworn statement of passengers, officers, and crew when the *President McKinley* arrives here on December 24th. Please instruct very specifically what action if any the Department desires the consulate to take.

Senator THOMAS of Utah. Is there any reply to that telegram?

Mr. CAFFEE. Yes, sir.

The CHAIRMAN. May I ask whether those instructions were given to the consul?

Mr. CAFFEE. Yes. This is our telegram sent to Hong Kong, and a similar one was sent to Kobe; and I presume the Commerce Department sent something similar to Manila:

Obtain and forward soon as possible sworn statements from passengers and members crew including officers *President Hoover* concerning alleged misconduct or irregularities certain crew members who are expected to arrive soon at Hong Kong on *President Pierce*. Statements should contain names of persons concerned. Telegraph report.

Here is one from Hong Kong, which says:

Department's telegram of December 18 received too late for action here with respect to crew as ship is sailing in 2 hours. Department's telegram has been repeated to the *President McKinley*, which is carrying the crew of the *President Hoover*. Affidavits of some passengers will be procured here.

And here is one from Hong Kong dated December 23, 1937:

Referring to Department's telegram of December 18, 3 p. m., and my telegram of December 20, 5 p. m., affidavits of Consul Stevens and three other passengers being sent by air mail leaving December 26th. Statements allege (one) lack of skill in handling life boats, (two) lack of organization and arrangements on island, (three) drunkenness of some members of the crew and attempted molestation of women passengers, (four) lack of control by officers over crew while on the island; crew stating that they were no longer in the service of the ship from the time they left it, and, (five) rifling of organizations' baggage.

It is not exactly clear what it does mean.

Admiral HAMLET. The message is probably garbled for one word.

Mr. CAFFEE. Yes. And here is one from Kobe, dated December 25, 1937:

Department's telegram of December 22, 6 p. m.

No *Hoover* passengers on *President McKinley*. Sworn statements of individuals available and willing to testify, namely five officers and two crew members obtained and are being forwarded with covering despatch via *President McKinley* today.

While testimony of both officers and crew indicates some boisterousness and drunkenness on the part of certain crew members it appears to exonerate crew of serious misconduct, important irregularities, or serious breaches of discipline.

Of course, that is from the crew and is a different story. And the last one we received was from Singapore, dated December 29, 1937, as follows:

W. Yochman or Yocman, former steward on S. S. *President Hoover*, will arrive at San Francisco January 6 on *President McKinley*. Yocman was spokesman of group of stewards of *President Hoover* who disposed at Hong Kong of loot from that vessel. Affidavit of my informant, John Meany, a passenger on *President Hoover* from Honolulu to Yokohama, despatched to the Department today by air mail.

The CHAIRMAN. Very well; when you receive this information may we have it?

Mr. CAFFEE. Yes, sir.

(The affidavits requested are printed here in full:)

No. 56. THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA,
AMERICAN CONSULATE GENERAL,
Hong Kong, December 24, 1937.

Airmail.

Subject: Forwarding testimony of passengers regarding misconduct of crew of the stranded S. S. *President Hoover*.

The honorable SECRETARY OF STATE,
Washington.

SIR: With reference to the Department's naval radio of December 18th, 3:00 p. m., in which this consulate general was instructed to obtain sworn statements from passengers, officers, and members of the crew of the S. S. *President Hoover* concerning alleged misconduct and irregularities of certain members of the crew, I have the honor to enclose herewith the affidavits of Consul H. E. Stevens and four other passengers from the ship.

These sworn statements have been obtained from passengers who were available in Hong Kong. As regards the statements of the officers and crew, the American consul at Kobe was furnished with a copy of the Department's instruction under reference, since it arrived here almost coincidentally with the sailing of the S. S. *President McKinley* on which the officers and crew of the S. S. *President Hoover* were returning to the United States. There was consequently not enough time to comply here with the instruction in so far as it applied to the officers and crew.

The Department was informed of this action by a naval radiogram dated December 20th, 5:00 p. m. The American consul at Kobe has also been informed by telegraph of the substance of the statements made by the passengers in order that he may be guided by them in taking testimony from the officers and crew.

Four additional copies of each of the passenger's testimony is being forwarded by ordinary mail. It will be noted that in almost all cases the identification which the passengers were able to make of various members of the crew were very incomplete, since they had come into little contact with them on the ship, and did not know their names.

Respectfully yours,

ADDISON E. SOUTHARD,
American Consul General.

Enclosures:

1. Affidavit of H. E. Stevens.
2. Affidavit of R. P. Dunlop.
3. Affidavit of Edith F. Dunlop.
4. Affidavit of Maud Corbett.
5. Affidavit of Rachel L. B. Drummond.

Distribution: In quintuplicate to the Department; original by air mail.

COLONY OF HONG KONG,

City of Victoria, Consulate General of the United States of America, ss:

Before me, John C. Pool, Vice Consul of the United States of America in and for the consular district of Hong Kong, duly commissioned and qualified, personally appeared Edith Frida Dunlop, who being duly sworn according to law deposes and saith:

I am a British subject domiciled in Hong Kong, and am the wife of Robert Paterson Dunlop.

I was a passenger aboard the S. S. *President Hoover* when she stranded at Hoisho To Island on the night of December 10th 11th.

The day we arrived on the island I saw one of the crew, when he came up from the ship, throw open his jacket and there were six bottles of liquor tucked under his belt around his waist. It was practically dark and they were giving us our billets for the night. First of all we were allocated to a house in the village. We weren't keen to go there and we heard whoever was allocating billets say that if we stayed at the school house, which was for married people and unaccompanied women, there would be a guard maintained there and we would be quite safe. We decided to go into the school house.

That night there were disturbances, fights, and swearing all around the place. Some time during the night a woman, whom I believe was a stewardess, came running to the door of our building and said, "Is there an officer here?" "Come at once, they are breaking into the hospital." There was an officer there who had been on guard, and he and several others went out. We, ourselves, were told by this officer not to go outside for at least an hour because it was not safe.

In the early morning, before dawn, a Japanese naval officer from H. I. J. M. S. *Asigara* (?) arrived and asked for the officers who were in our building. He told them that the Japanese cruiser had arrived and that the two American destroyers were coming. A Japanese naval landing party came up after daylight and was greeted with applause by the passengers who were outside. We felt relieved that they were there. They posted guards at various places. Later in the morning we saw two of the crew of the *President Hoover* lying face downward in a cabbage patch and drunk to the point of unconsciousness. A Japanese sentry kicked one of them and he sat up. When I passed by a few minutes later he was drinking from a bottle.

In the evening, when the crew had returned from the ship, a first class deck steward came and sat along side of me and opened his bag which I saw contained clothing and at least two bottles of liquor. One of the crew nearby asked when he was going to open his bottle and the steward intimated that he wasn't going to open it for this man's benefit because he knew that this man had had liquor the night before and hadn't given him any. The second man said, "Why didn't you ask me for some last night," "I had six bottles of champagne left over and didn't know whom to give them to."

I am unable to identify the members of the crew referred to above, but I was told that in the school house where we spent the night the two men who stood guard were the second and fourth officers, one of whose names began with the sound "Sch". Their actions were very commendable and they worked very hard.

And further deponent saith not.

EDITH FRIDA DUNLOP.

Subscribed and sworn to before me this 23rd day of December 1937.

[SEAL]

JOHN C. POOL,
American Vice Consul.

(Service No. 4771, no fee prescribed)

COLONY OF HONG KONG,

City of Victoria,

Consulate General of the United States of America, ss:

Before me, John C. Pool, vice consul of the United States of America in and for the consular district of Hong Kong, duly commissioned and qualified, personally appeared Harry E. Stevens, who being duly sworn according to law, deposes and saith

I was a passenger on board the S. S. *President Hoover* which stranded about midnight, December 10, 1937, on the coral shore of Hoisho To Island some fifteen or twenty miles off the southeastern coast of Formosa.

In regard to the behaviour of the officers and members of the *Hoover's* crew while ashore on Hoisho To Island the following are circumstances of my personal observation

So far as I was able to observe, no member of the *Hoover's* crew assisted or offered to assist the disembarked passengers in solving the following difficulties which confronted them during the first eighteen or twenty hours ashore:

(a) In passing through the oil-covered water which surrounded the lifeboats on reaching the shore.

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(b) In proceeding over the two-mile stretch from the landing place to the village school premises which the natives had made available as shelter for the passengers.

(c) In carrying from the landing place to the camp at the school such provisions as had been brought ashore, and in collecting and preserving these provisions from the frequent pilfering or carrying away thereof by some of the less responsible Filipino passengers and members of the crew.

(d) In obtaining drinking water.

(e) In improving the extremely unsatisfactory lavatory and other sanitary facilities at the camp.

(f) In providing light for use in the overcrowded buildings after nightfall.

(g) In finding resting places on the floors and benches for the women and children.

(h) In preventing members of the crew from appropriating to their own use a supply of blankets which had been sent ashore for the use of passengers.

(i) In effectively cooperating with the ship's officers in the latter's feeble attempts to provide food and enforce discipline.

I heard a member of the steward's department, who styled himself the chief cook or chef (a large proportioned man), object to offers of assistance, made by a group of first-class passengers, in guarding, preparing, and distributing the food, all of which he stated was under his charge and care. I heard this man refuse the requests of several hungry women passengers to obtain a share of the food which I saw was then being cooked and distributed, with his knowledge, to a group of ship's officers and about fifteen or twenty members of the crew. He endeavored to explain his refusal on the ground that the crew had worked harder and were more in need of food than the passengers.

I passed the first night ashore in a school room together with about thirty other passengers and four or five of the ship's officers, including the purser, a steward, and the second officer. Throughout the night I heard members of the crew singing, joking about the passengers, cursing, and fighting among themselves in the adjacent courtyard, and while most of the women present remained awake in fear of being molested, at least five members of the crew, who gave unmistakable evidence of being intoxicated, came across the courtyard and attempted to force their way into the room we occupied. These attempts were frustrated by the second officer who stood guard at the door with a pistol and who, on one occasion, threatened to use force against one member of the crew who insisted that he had a right to share the room with the passengers. I consider this night vigil by the second officer commendable as it appeared to me to be the most effective and outstanding assistance given by any of the officers in protecting the passengers from a very real physical danger.

Officers of the engineer's department and some members of the crew were quiet and well-behaved, and I believe that they would have assisted the passengers had the responsible ship's officers done more to assert their authority and maintain order.

I was present when a committee of male passengers offered assistance to the second officer, purser, and the chief steward and heard these officers inform the committee that they had done and would continue to do all they could to remedy the situation but that they were up against a "labor racket" and were more or less powerless to interfere with the crew who belonged to a strong labor union and who took the view that when ashore under such circumstances they were no longer in the employ of the Dollar Company and were, therefore, not obliged to work for the passengers or to obey anyone's orders.

After the arrival in the morning, December 12, of a detachment of Japanese sailors from the Japanese cruiser *Asigara*, rowdyism in the camp soon disappeared, and after the arrival the same afternoon of American bluejackets from the destroyers *Barker* and *Alden* until we were taken aboard the *S. S. President McKinley* on December 13th, the ship's officers, and members of the steward's department in particular, did good work in providing an ample supply of food for most of the passengers.

And further deponent saith not.

(Signed) HARRY E. STEVENS.

Subscribed and sworn to before me this 23rd day of December 1937.

[SEAL]

JOHN C. POOL,
American Vice Consul.

COLONY OF HONG KONG, CITY OF VICTORIA,

Consulate General of the United States of America, ss:

Before me, John C. Pool, vice consul of the United States of America, in and for the consular district of Hong Kong, duly commissioned and qualified, personally appeared Mrs. Maud Corbett, who being duly sworn according to law, deposes and saith:

I am a British subject and a justice of the peace for the county of Sussex, England.

I was a special class passenger on board the S. S. *President Hoover* when she stranded at Hoisho To Island on the night of December 10th-11th.

There was no one in authority on the shore after we left the ship except during the first part of the landing when the first officer was there. The seamen and sailors did not seem to know how to manage the boats. In the camp there were two junior officers, the fourth and, I think, the second, who worked hard, but had, apparently, no authority over anybody. The reason for this apparently was the current belief expressed by the seamen and stewards that their pay ceased when they left the ship and that they were no longer in the service of the company.

The first night on shore one of the junior officers came to us and said that the situation was getting serious but if the women would go in a certain room he would try to guard them. I did not know then why the situation was serious and I did not go into the room indicated. Instead my husband and I remained in the infants' school along with forty or fifty passengers, mostly third class and principally Filipinos and Chinese.

During the night a very tall, fair, and smooth-shaven sailor, on whom a torch was flashed, came in and sat down on a table in front of me. He was incapably drunk. Someone must have hit him for he fell down on the floor flat just before me. He lay there a while then [then] sat up, turned round and stared at me, then put his hand out and touched me. I called out. He did this again several times. My husband then came and sat in front of me; the man got up and went and sat where my husband had been sitting. There was a lady on the other side of the bench. She suddenly screamed and told me afterwards that he had put his hand down the back of her neck. Then the man collapsed and lay on the floor. After a time he got up and went out.

The next day I said to an officer that I supposed after they had slept it off they would be better and he said, "They won't be any better until they have got the last drop of liquor out of the bar."

That day we looked for another place to sleep. A friend told us of a Japanese hut nearby which he said was fairly comfortable. We went over to look at it and to his and our horror found the floor half full of drunken people sleeping. We came back later, about six o'clock, and found a woman alone and dressed as a stewardess just recovering from a drunken sleep.

And further deponent saith not.

MAUD CORBETT.

Subscribed and sworn to before me this 24th day of December 1937.

[SEAL]

JOHN C. POOL,
American Vice Consul.

Service No. 4782. No fee prescribed.

COLONY OF HONG KONG, CITY OF VICTORIA,

Consulate General of the United States of America, ss:

Before me, John C. Pool, vice consul of the United States of America in and for the consular district of Hong Kong, duly commissioned and qualified, personally appeared Rachel Leanore Beatrice Drummond, who being duly sworn according to law, deposes and saith:

I am a British subject domiciled in Hong Kong.

I was a special class passenger aboard the S. S. *President Hoover* when she stranded at Hoisho To Island on the night of December 10-11.

There appeared to be lack of organization in getting people ashore, considering that there was plenty of time and no immediate danger. Little was appeared to be made of materials and facilities on the ship to make the landing easier. The shore was extremely rough coral rock, slimy with fuel oil, and the sea was rather heavy. The lifeboats were very heavy and there seemed to be too few men to handle each one of them. Our lifeboat was bumped against the preceding one

and against the shore for some time before it was possible to get the boat into such a position as to permit the passengers to be landed. The natives carried us ashore as best they could under the circumstances, which were very difficult, as they were mostly barefoot on the sharp and slimy rocks.

I spent the night in the school building along with Mr. and Mrs. R. P. Dunlop. During the night one of the officers kept guard. We were asked to keep in doors for the first few hours as they were having trouble with some members of the crew who were drunk. There was loud talking and swearing on the veranda outside the school house and the officer who kept guard frequently spoke from the door to those making the noise and endeavored to quiet them. During the night a woman with a child came into our place as she said it was impossible to remain with the baby in the room where she had been. It should be mentioned also that I saw some of the passengers under the influence of liquor.

When we arrived on shore we were sent to the schoolhouse and particularly instructed to leave our baggage in a pile at the shore. My blue coat, which I left with my little case, was never seen again by me though some one else afterward said she had seen it disappearing in to the village with one of the natives. Lack of proper supervision of the baggage was probably responsible for the loss of this coat.

When I arrived in Hong Kong I found that a trunk and a suitcase from my cabin had arrived on the *President Pierce*. The trunk was all right, but the suitcase had been rifled and all the jewelry, which was in two small boxes, had been removed; the empty boxes remained. The locks of the suitcase had not been broken, but I feel sure that I locked the case before I left the ship, as I did my trunk which was not disturbed. However, when I opened the case the things in it were in great disorder and other small boxes, besides those containing jewelry, had also been opened, but the contents, which were dolls, left in them. Apparently the person who rifled the case was only looking for jewelry.

And further deponent saith not.

RACHEL LEONORE BEATRICE DRUMMOND.

Subscribed and sworn to before me this 24th day of December, 1937.

[SEAL]

JOHN C. POOL,
American Vice Consul.

Service No. 4786. No fee prescribed.

COLONY OF HONG KONG,

City of Victoria,

Consulate General of the United States of America, ss

Before me, John C. Pool, vice consul of the United States of America in and for the consular district of Hong Kong, duly commissioned and qualified, personally appeared Robert Paterson Dunlop, who, being duly sworn according to law, deposes and saith:

I am a British subject domiciled in Hong Kong, where I am tests engineer for the Hong Kong Electric Company, Limited.

I was a passenger aboard the S. S. *President Hoover* when she stranded at Hoisho To on the night of December 10th-11th.

The crew did not appear to be skilled in the use of the life boats; there seemed to be a maximum of four men in each boat, of whom only one appeared to know anything about the handling of the boat; that I was disappointed that more use was not made of the ship's mechanical gear in pulling the boats ashore through the surf and back to the ship, since the ship was only about two hundred yards from the shore. For lack of this assistance several boats had to be abandoned.

On the ship there had been complete order and discipline from the time it grounded until I left the ship. The only criticism I had to make was that I thought the passengers might have been kept informed as to what was happening or what was expected of them. During breakfast the ship's loud speaker gave instructions for the landing of the passengers and said that each passenger might take one small hand package, not a suitcase. This was the first and last official announcement that I, personally, received during the whole period.

When I arrived on shore my wife and I were checked off the passenger list, but there appeared to be no one in effective command of the shore camp.

At the school house the ship's doctor had organized a hospital where minor injuries were treated and where women with children could pass the night. Credit for the finding of accommodations for the passengers at night is due a Japanese lady passenger, Miss Kye Koyama, who acted as interpreter and arranged matters with the village authorities.

When the crew landed in the late afternoon, just before dusk, a number of them were carrying bottles of liquor and a great many of them had their pockets stuffed with cigars. I was offered cigars by some of them and saw one member of the crew trying to persuade the ship's doctor to have a drink from a bottle which looked like a champagne bottle. They lit a fire outside and sat around the fire drinking until a late hour, when it appeared from the noise that they were fighting among themselves. Later on they attempted to enter the school buildings in which women and children and one or two married couples were attempting to sleep. In the building in which I was they were prevented from entering by one of the ship's officers (I believe he was the second or third officer), who remained on guard at the door all night. They were very disorderly and used very bad language, indeed, in front of the ladies. I heard numbers of the passengers complaining next morning that these men had entered their rooms and had either assaulted them or attempted to do so. The following day I saw more liquor brought in. One member of the ship's company produced a brown leather bag from which he removed in my presence two bottles of whisky and one bottle of gin.

That during the following morning a number of the crew gathered in the school room where I was sitting, and in discussing the situation informed me that they were no longer members of the crew, that their pay had stopped when they left the ship. When called on to provide a work party by the officers certain men volunteered at once, others did so when called on to "behave like men" by the officers, while a third group called a committee meeting, produced books of union rules, and finally decided to assist.

While I was awaiting the sampans to take me off to the *McKinley* a quantity of passengers' baggage was carried down to the landing place and I noticed several pieces of rather good-looking rawhide luggage the locks of which had quite evidently been forcibly broken open and the cases were tied up with pieces of ship's rope.

The handling of the motor launches from the American destroyers, in which I was taken out to the *President McKinley* was a fine example of seamanship, in very definite contrast with the landing from the *Hoover*.

I should like to emphasize that the disorderly behavior was only on the part of a relatively small section of the crew. Some members worked hard during the whole period and were of great assistance. Other passengers have mentioned members who assisted them, but the two known to me who were outstanding in helpfulness and cheerfulness were Jerry Bergman, the special class deck steward, and David, a first class bell boy.

I am unable to identify the members of the crew referred to above, for I did not come into contact with them on the ship.

And further deponent saith not.

ROBERT PATTERSON DUNLOP.

Subscribed and sworn to before me this 22nd day of December 1937.

[SEAL]

JOHN C. POOL,
American Vice Consul.

Service No. 4753.
No fee prescribed.

The CHAIRMAN. We thank you very much. I think that is all this morning. We are very much obliged to you gentlemen and to the State Department. If you will give our compliments to the Secretary and tell him we appreciate his courtesy, I will thank you.

Mr. CAFFEE. Certainly.

Mr. SAUGSTAD. We will be glad to do so.

Senator THOMAS of Utah. Senator Copeland, may I make this one request—that they will go over the labor features of this bill and point out for us wherein they are not in harmony with this international agreement, which will probably be made treaties. Of course, I should like for my own information at least to see whether our legislation is written consistently with what will become treaty law, if it does become treaty law.

The CHAIRMAN. We will be very glad to have that information. Along that line may I ask, Admiral Hamlet—you are familiar with

this convention and with the legislation which has been formulated by your committee: Does the legislation you have formulated conform to this?

Admiral HAMLET. Very closely.

The CHAIRMAN. And what was your question, Senator Maloney?

Senator MALONEY. Perhaps it has already been taken care of because, as you know, I have had to attend other committee meetings at times, but I understand that members of the Maritime Commission, or the Commission itself, have made a study of conditions on many vessels. I am wondering if a member of the Maritime Commission has testified; or if not, whether it would not be wise to have such information.

The CHAIRMAN. We have had such testimony, but not as explicitly as you perhaps desire. So I will be glad to ask for it.

Senator MALONEY. I know that some of the labor groups might give us a picture that would be overcolored. So I thought if we could get the information from the Maritime Commission we would have something pretty accurate.

The CHAIRMAN. Make a note of that, Mr. Mann. We will have somebody from the Maritime Commission, Senator Maloney, to give you that information.

Any further questions? [A pause, without response.] There being no further questions at this time the joint committee will stand adjourned for the day.

(Thereupon, at 12:15 p. m., Wednesday, January 5, 1938, the committee adjourned subject to call.)

OFFICIAL DOCUMENTS SUBMITTED BY STATE DEPARTMENT

NOTE.—A considerable number of documents not quoted here were submitted by the State Department, mostly concerning incidents which occurred prior to 1937.

EXHIBIT 1

EXCERPT FROM PERSONAL LETTER OF AN AMERICAN CONSUL GENERAL TO A DIVISION CHIEF OF THE STATE DEPARTMENT, DATED AUGUST 30, 1937

I regret that my first letter to you should be a gloomy one, but a gloomy one, unfortunately, it is.

The facts are that, insofar as concerns the American merchant marine, conditions are bad, and on the ships of some of the lines they actually are mutinous. I feel quite certain that if you were to get an opinion from consular officers on the line, San Francisco-Hong Kong-Marseille, they just don't know where they are.

On May 8th, last, we had difficulty with the *President Adams* of the Dollar line, and on May 22nd in despatch numbered 338 the various phases of the situation were communicated to the Department and, with a view to handling future difficulties which were and are to be expected, certain categorical questions were asked. They were asked only after an exhaustive study of the regulations, the navigation laws, and all the various volumes of international law and the statutes to be found in our library.

The questions were:

(a) Is a sit down strike on an American vessel on continuous voyage [in the port of Marseille] legal? If not, what remedy is provided by law? What is the effect if the vessel is carrying mail?

(b) Is a vessel on call at a foreign [the] port [of Marseille] while on a continuous voyage to be considered as on the high seas for purposes of the navigation laws?

(c) Is the action of calling a strike to be considered as depriving the master, of rightful command and therefore mutiny?

(d) In the event, in compliance with an order from the master, the engineer officers attempt to turn on steam on the winches in a foreign port and are prevented by the crew: Is that mutiny?

The answer to the fourth question is at first sight obvious, but as you know the obvious interpretation is not always supported; and consular officers have to protect themselves in the event the Department of Justice should not prosecute the case.

In so far as the first question is concerned, a clear-cut answer thereto is at the root of everything. If a sit-down strike is legal, there is no use talking of mutiny or insubordination.

The second was asked in order to ascertain whether refusal on the part of the crew constitutes insubordination on the high seas or in port. There is quite a difference, and one American master informs me that to his knowledge the Department has ruled the vessel to be constructively on the high seas.

The third was asked to clarify the status of so-called delegates.

The Department's reply of June 7, 1937, transmitted a copy of a report of the Attorney General to the effect that under certain circumstances seamen charged with mutiny by American consular officers on American vessels in a foreign port would be prosecuted by the district attorney of the United States. The opinion is further illustrated by discussions as to what constitutes a "port of distress", and the Department further amplifies by pointing out in answer to what it states was my inquiry as to the circumstances which constitute mutiny on an American vessel, that when such mutiny does occur it is within the jurisdiction of the United States, and further, that any action tending to deprive a master of rightful command is mutiny.

I regret that I can find nothing in the Department's instruction that answered the questions proposed, and they were and are very important.

I can assure you that the conditions which obtain today are most serious, and the service in the field urgently needs the constructive and sympathetic co-operation of the section of the Department concerned with this work.

To my knowledge the Department is in receipt of despatches from Kobe, Hong Kong, Bombay, and this office and undoubtedly has heard from Singapore and elsewhere, from all of which you will see that the record of insubordination is continuous.

It was hoped that the unfortunate conditions were passing. Only last Friday, however, the local press and the New York Herald, Paris edition, had a story of mutiny on the *President Adams* at Naples, which caused the Italian Government to confine the crew to the ship at Genoa.

EXHIBIT 1-A

THE EXTENT TO WHICH THE ABOVE QUESTIONS ARE ANSWERED BY RECENT DECISION IS ILLUSTRATED BY THE CHARGE TO THE JURY IN THE "ALGIC" CASE, HEREWITH SUBMITTED

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

United States of America vs Walter H. Rees et al. No. 18626-Criminal. Baltimore, Maryland, December 15, 1937

CHARGE TO THE JURY

CHESTNUT, J.

Mr. Foreman and gentlemen of the jury: I am sorry to keep you a little later this evening, but this case will have to be argued by counsel tomorrow and I wish to give counsel the fullest time possible to fully discuss the case before you on the facts and, therefore, in order to give them an opportunity to start at ten o'clock tomorrow, I think I had better give you my charge this evening.

Now, the testimony in this case having been completed, it is now the appropriate time, in accordance with the usual practice in this Court, for the Judge to instruct you as to the law of the case and to make some summary of the testimony in relation to the charge brought by the Government against the fourteen defendants in this case. The respective functions of the Court and jury are that the responsibility for determining the law of the case rests with the Judge alone and the responsibility for determining the facts is solely the province of the jury. While you will therefore accept without question the law as announced by the Court, you yourselves are the sole judges of the facts established by the testimony, and anything that I may say in summarizing the facts is intended merely as an aid to you in reaching a proper verdict. You are in no way bound by my view of the testimony but should consult your own recollection and give it

such weight as you find proper. Anything that I say with regard to the testimony is merely advisory to you.

Now, first before coming to the specific charge and announcing the law of the case, I wish to state to you some general principles of law that are applicable to this case as a criminal charge as contrasted with civil cases. In a civil case in general the jury properly gives a verdict for the Plaintiff or Defendant as the case may be, based on the preponderance of the evidence for one party or the other; but in a criminal case the rule is different and before anyone is convicted of a crime the Government preferring the charge must establish the truth of the charge to the satisfaction of the jury beyond a reasonable doubt, that is to say, the measure of proof required in a criminal case is greater than in a civil case. In a crime such as is charged here the Defendants may be prosecuted only after indictment by a Grand Jury, which has been complied with in this case, but the indictment itself is no evidence of the commission of the crime but only the formal method of accusing the Defendants and putting them on their actual trial before a petit jury. Then again the Defendants are entitled to the presumption of innocence; that is to say, the burden of proof is on the Government to show their guilt, and this presumption remains with them as a positive protection until the Government has established their guilt beyond a reasonable doubt. Various definitions have at times been given as to what constitutes a reasonable doubt. It is said that it must be of such a satisfactory nature that the jury is convinced of the truth of the charge to such an extent that they have an abiding conviction to a moral certainty. But it is seldom possible in any Court trial to establish a proposition to what may be described as a mathematical certainty and therefore the law does not require the jury to be convinced beyond merely speculative or whimsical or every possible doubt, but only beyond a reasonable doubt, that is, a doubt of such a character that one can give to one's self a substantial reason. Then you can properly say you are nevertheless satisfied beyond a reasonable doubt. In other words, the word "reasonable" is not equivalent to the word "whimsical" or "fanciful" or "imaginary." So much for the general principles that should guide the jury in weighing the evidence in this case as in other criminal cases.

We come now to the specific charge in the indictment. It is based on a statute of the United States passed by Congress and which has been in force for more than a hundred years and indeed to the extent embraced in the indictment in this case, it has been in substance in effect since 1790. The statute as it now reads with amendments from time to time is Section 483 of Title 18 of the United States Code, being that part of the laws of the United States which is sometimes called the Criminal Code, which reads as follows: The heading is "Inciting revolt or mutiny on shipboard. Whoever, being of the crew of a vessel of the United States, on the high seas, or on any other waters within the admiralty and maritime jurisdiction of the United States, endeavors to make a revolt or mutiny on board such vessel, or combines, conspires, or confederates with any other person on board to make such revolt or mutiny, or solicits, incites, or stirs up any other of the crew to disobey or resist the lawful orders of the master or other officer of such vessel, or to refuse or neglect their proper duty on board thereof, or to betray their proper trust, or assembles with others in a tumultuous and mutinous manner, or makes a riot on board thereof, or unlawfully confines the master or other commanding officer thereof, shall be fined not more than \$1,000, or imprisoned not more than five years, or both."

The particular part of this statute which embodies the charge made against these defendants is that which reads, "Endeavors to make a revolt on board such vessel or combines, conspires or confederates with any other person on board to make such revolt." You will note that the defendants are not charged with having completed or perfected or consummated an actual revolt or mutiny, but merely with an endeavor or conspiracy to make a revolt. In this connection a conspiracy means an agreement of two or more members of the crew to make a revolt and an endeavor to make a revolt necessarily implies something more than mere agreement, that is the doing of some act to put the agreement into effect. These defendants are charged with two separate counts or charges in the one indictment, one count charging merely the conspiracy or agreement to revolt, and the other an endeavor to make a revolt.

Now for some years after the statute was first passed in 1790, there was some uncertainty as to the precise meaning and scope of the word "revolt" as used in this statute, that is to say, just what acts were contemplated and prohibited by the statute. But such doubts and uncertainties as first existed with regard to the meaning of the word have been removed by many judicial decisions in cases in federal courts, including about 1824 a definition of revolt given by the Supreme

Court of the United States; and further in 1835 a statutory definition contained in an Act of Congress which defined a revolt as follows, in section 484, of Title 18, at page 372.

Now here is the definition in a law of Congress of what a revolt consists of. The statute I just read you was an attempt or endeavor or conspiracy to make a revolt. This statute defines what a revolt itself is. "Revolt or mutiny on ship-board. Whoever, being of the crew of a vessel of the United States, on the high seas, or on any waters within the admiralty and maritime jurisdiction of the United States, unlawfully and with force or by fraud, or intimidation, usurps the command of such vessel from the master or other lawful officer in command thereof, or deprives him of authority and command on board, or resists or prevents him in the free and lawful exercise thereof, or transfers such authority and command to another not lawfully entitled thereto, is guilty of a revolt and mutiny, and shall be fined not more than \$2,000, and imprisoned not more than ten years."

You will note that this latter statutory definition is in the alternative presenting different phases or classes of facts or acts which separately constitute a revolt. But all of them have in general the feature of in some way depriving, by the crew the master of the ship of his effective command of the ship. That is to say, there are different kinds of revolt which differ from one another in the extent of gravity of the offense. The most serious form of a revolt would be that which by actual force deposes the master from the command of a vessel by imprisoning or otherwise confining him as a prisoner. But also a revolt of the lesser degree of gravity may consist in merely resisting the captain or master of the ship in the free and lawful exercise of his authority as commander.

Now, the statutes of the United States also provide what shall be the duties of an individual member of a crew with regard to obeying the command of the captain and in the statutes of the United States, Chapter 18 of Title 46, Section 701 of the United States Code, there is defined various offenses and punishment with regard to seamen. "Whenever any seaman who has been regularly engaged or any apprentice in sea service commits any of the following offenses he shall be punished as follows," and then quite a number are listed, "first, for desertion and for neglecting or refusing without reasonable cause to join his vessel or quitting a vessel without leave or willful disobedience of any lawful command at sea by being at the option of the master placed in irons until such disobedience shall cease and upon arrival in port by forfeiture of his wages" and so on, and "for continued willful disobedience of lawful commands or continued willful neglect of duty at sea by being at the option of the master placed in irons on board and water with full rations every fourth day." That applies to the individual seaman who refuses to obey the orders of the captain. We are not concerned here with that because obviously there is a more serious charge when not only one but a group of the crew willfully disobey the orders of the captain and it is that kind of a case for which this indictment is brought which charges an endeavor on the part of fourteen of the crew to make a revolt or conspiracy or agreement to do so. And, of course, the character of revolt herein referred to in the testimony in the case is of the lesser degree of the offense only with which we are concerned, that is to say, no effort was made here to physically use force against the captain or to shut him in his room or to turn over the general command of the ship to somebody else and the meaning of revolt, which is referred to by the Government in the testimony, is that of resistance to the lawful orders of the captain or refusal to carry out the ordinary commands which were in force and you will note, as I have already said, that the Government has not charged an actual consummated revolt, but only an agreement or endeavor to consummate it, that is, a degree of offense is charged against the defendants less than an actual consummated revolt.

I turn now to a brief summary of the more important features of the testimony which the Government has produced in support of the burden imposed upon it by law to prove the charge it has made against the defendants beyond a reasonable doubt. Here, as I have said, you must consult your own recollection of the whole of the testimony and what I say in summarizing it is merely intended as an aid to you in arriving at your verdict and is advisory only. Now, in this case the Government has produced the testimony of a number of witnesses from which you may find the following facts. Now, I will review the substance of the testimony by the Government with regard to this charge. Whether you find all of those facts as the Government contends for is a matter for you to determine, and in considering that you must consider, of course, the defendants' testimony, but I have to summarize one side of the case at one time before I come to the other side of the case.

Now, from the Government's testimony, as I say, you may possibly find that these are the facts established

The steamship *Algic* is a steam cargo-carrying vessel, what is frequently termed as a freighter, owned by the United States Maritime Commission, which is an agency of the Government of the United States. She is registered in the Port of Philadelphia, and is a vessel of the United States, within the meaning of the statute which I have quoted to you. She is approximately 435 feet long with a beam of 52 1/2 feet and is of approximately 5,000 tons burden. For some years past she has been engaged principally in making freight-carrying trips to South American ports. On July 16, 1937, Shipping Articles were signed for her complement of officers and crew consisting of thirty-eight in all, and on July 19th she sailed from Jacksonville, Florida, for South America. After touching at various ports in South America, as contemplated by the Shipping Articles, she steamed into the port of Montevideo, Uruguay, on her return northbound voyage on the early morning of September 10, 1937. She arrived there about 6:45 and anchored about three-quarters of a mile off shore between the inner and outer breakwater. The purpose of her call at Montevideo was to load a miscellaneous cargo on the ship. This is generally done by stevedores and the principal function of the crew in that operation is to furnish steam from the engineering department of the ship to give power in the operation of the winches and other machinery of the ship, which functions in the lifting of the cargo from the lighters alongside the ship into the holds of the ship. On this occasion the stevedores to do the work of loading had been arranged for by the agent of the ship at Montevideo, and they were on hand and came aboard the ship at seven o'clock in the morning. They started to load the cargo, but after they had been so occupied for half an hour or possibly an hour, or maybe two hours, the exact time is not, perhaps, fixed, the work of loading had to be discontinued because the steam was shut off and the circumstances under which the steam was so shut off and how it came to be shut off is one of the most important facts to be determined from the testimony in this case.

All the fourteen defendants in this case were members of the crew of the ship and all had signed the shipping articles in the customary form. The whole ship's crew, including the officers, are divided into three divisions: (1) The deck crew, (2) the engine room crew, and (3) the steward's department. All the members of the crew have duties to perform both at sea and in port but their duties differ somewhat between the time when the ship is actually on the high seas in motion and when she is stationary in port. Each member of the crew, including officers, have assigned duties to perform daily, but at different times or, as is called on shipboard, different watches, which, generally speaking, are each for four hours. It is customary for the Captain of the ship, who is, of course, in complete and final charge of all operations of the ship, to give his orders to the crew not in person, but through his officers, generally the first mate, and of course, most ships have an established routine for all members of the crew. On the particular day the first officer issued the orders for the day to the boatswain about 7:45 o'clock in the morning, after the ship had anchored at Montevideo. Two anchors were put out, as the first officer did not consider the place safe holding ground, and two anchors were required by the pilot. Stevedores engaged by the Line's agency came aboard at seven o'clock and began to stow the cargo. For this purpose steam power was on the deck. The chief officer, according to his testimony, gave the boatswain orders to start some of the crew washing paintwork on the boats, others chipping on the forecandlehead, and others painting the rails on the after boat deck.

At eight o'clock the chief officer said he did not see any members of the crew on deck. At 8:05 the boatswain reported the crew were holding a meeting and the chief officer told the boatswain to go down and turn them out, as they were not supposed to hold meetings during working hours.

At 8:20 two delegates of the crew reported to the officer. They were Lampkin, of the engine department, and Rees of the deck department. They stated to the chief officer that the crew refused to work as long as the stevedores were aboard the vessel.

The complaint was that the stevedores were thought by the crew to be strike-breaking stevedores, and the reason the crew did not work with them was because the crew belonged to a labor union which has a policy not to work with strike-breakers. That is the ground of their objection, the objection of the crew, to continuing their work, as reported by their representatives.

The chief officer told Rees and Lampkin, in effect, that the stevedore strike situation was none of the crew's business, and asked them to go back and notify the rest of the crew as to the situation of the strike ashore as the chief officer explained it to them, there being some testimony to the effect that the strike was not such as what the defendants might call a bona fide union and non-union strike dispute, but a personal factional fight between members of a stevedoring gang.

I do not dwell on that as of much importance, because I think it is quite immaterial in this case what kind of a strike it was, whether it was a bona fide strike or an outright strike or what it was.

Rees and Lampkin returned about 8:35 and notified the chief officer that the crew still refused to work. The chief officer himself went back and saw the crew gathered together and gave them instructions to go to work. All the crew was there—that is, the full complement of unlicensed officers. I think the testimony is there were twenty-two members of the crew present which I believe was practically all of the crew of the ship excluding the officers and one or two, possibly in the steward's department.

Rees and Lampkin had told the chief officer that the crew had voted to shut the steam off and stop the stevedores from working. Mr. Bianchi, the agent of the ship, also explained to Rees and Lampkin about the strike conditions ashore to the effect that the strike was not a real strike of union stevedores but rather a personal quarrel.

When the chief officer found that the crew was apparently determined to persist in their attitude, he requested Rees and Lampkin to at least leave steam on long enough so that the hatches could be covered up to protect the cargo that was already in the vessel.

Rees and Lampkin subsequently reported to him that the men agreed to this. You will note, gentlemen, if you find those facts to be true that here is the case where the officers of the ship are asking the crew how the ship may be run; and the crew stating that they would permit the hatches to be closed.

The hatches were, in fact, covered. The American Consul was then sent for and he came aboard the vessel about 9:25, at which time all work had ceased. The chief officer reported the situation to the captain, who was sick in bed. The Vice-Consul, Mr. Adam, went to see the crew without any of the officers, and explained the situation to them and informed them that they were acting without authority of law and advised them to go back to work. He talked to the crew for possibly half an hour or more and told them that they were liable to be arrested and confined in jail.

After he withdrew the crew took another vote and Rees and Lampkin reported to the chief officer that the men still refused to work, the vote being eleven men to keep the steam off, seven to keep it on, and four men not voting. After that the captain of the ship, the Line's agent, Mr. Bianchi, and the American Consul went ashore.

Shortly afterwards it became necessary to shift the anchorage, which could not instantly be done by reason of lack of steam on deck, as the steam there had been turned off. The chief officer requested the first assistant engineer to put on the steam again as the ship was said to be in a dangerous position. The steam had been turned off about nine o'clock, but the chief officer did not know by whom.

After the necessary delay in getting the steam turned on, and it was turned on by one of the engineers, Mr. Olafsen, who went down and said he turned on the main valve, or one of the main valves in the engine room where it had been turned off, after the necessary delay in getting the steam turned on, the anchorage was shifted. The delay was about ten to fifteen minutes.

About five o'clock, the captain and the American Consul returned. The captain assembled the crew in the recreation room with the officers and the Consul and the crew were told the captain could not deal with them collectively, but individually.

I think the testimony shows that the captain of this ship in the harbor of Montevideo, thousands of miles from Washington, the site of our Government, had the unusual experience of going ashore and telephoning to Washington to know what he could do in order to have work go on on his ship. There may be other instances of record of that occurrence in maritime history. None has ever come to my attention in reading, but you gentlemen can consult your own experience about that. It may not be an uncustomary thing, but I never heard of such a thing happening before. Indeed, the laws of the United States, gentlemen, as I shall explain to you a little more fully presently, give quite full authority to the captain of a ship to deal with the situation on board his ship himself, and when this captain came back and assembled those men and told them that he intended to exercise his authority, they at once complied.

The case may give rise to the thought that it would have been far wiser for the captain to have asserted his definite authority earlier in the day. He has explained his reasons for not having done so. In the first place, he was not a well man, he had an attack of the flu, and he had a fever; and, in the second place,

he indicates to you that the reason that he did not immediately order the steam turned on again, when he found that it had been turned off, was that he feared if he had done so there would have been an outright collision with the members of the crew, which he desired to avoid. Now, whether there would have been or not, perhaps, is a question of fact for you to determine. That is his explanation of why he did not act with more firmness and rigidity of discipline earlier in the day.

At all events, when he came back at five o'clock, after telephoning to Washington and getting some advice and instructions from his superior employer, the Maritime Commission, and putting the matter definitely and distinctly to the sailors, they realized that firmness was then being insisted on, and they receded from the position that they had previously taken, and individually agreed to obey the lawful orders of the commander thereafter, and the next day the cargo was loaded by these same stevedores without any further incident and she sailed away on her home voyage in a few days thereafter.

Now, in brief effect, the testimony advanced by the Government was that the crew of the ship, including all fourteen of the defendants, held a meeting during the time when, according to the customary orders and routine of the ship, many of them at least were assigned to a particular duty, and they determined by unanimous vote that they would not work with the stevedores or while the stevedores were on the boat, and that they would not furnish the steam for the necessary operation of the loading of the cargo by the stevedores, and if necessary, the steam would be shut off. The steam was in fact shortly thereafter shut off, and the stevedores had to quit work and the ship could not load the cargo that day.

After the first meeting the crew was advised by the chief officer, acting under authority from the captain, and also by the American Consul, that they were acting improperly and should go back to work, but nevertheless they refused to do so, and did practically no work that day.

In short, the Government asks you to find from the testimony offered by it, that for the major part of that whole day, the command of the ship with respect to the loading of the cargo was effectively taken out of the hands of the captain and officers of the ship, and the actions of the crew resulted in the ship lying idle for the rest of the day.

Now, gentlemen, I instruct you, as a matter of law, that if you find those facts, then that does constitute the crime which is charged in this indictment against these men; it is wholly, however, for you to determine whether you find those facts, and the facts as I have summarized them up to the present time are those based on testimony offered by the Government. Of course, before you reach any conclusion in the case, you have to consider all the testimony, no matter by whom offered, whether by the Government or by the defendants.

Now, we must turn to the defendants' testimony and see how that fits in with or denies or explains or refutes the testimony of the Government.

Now, the position of the defendants in this case, by very able counsel with views very earnestly pressed, is two-fold: It is partly a justification, and it is partly a denial. The justification is that seamen who belong to a union when on a voyage are justified in striking, that is to say, quitting work, for certain reasons or if certain labor conditions arise.

Now, I don't know whether I have fully stated that, but briefly, perhaps, and succinctly, perhaps, that is the position known as justification. Or, to put that a little more exactly with reference to the defendants' position on justification, as I understand it, it is this. That in this case the striking seamen were justified in striking because the ship was using strike-breaking stevedores to load the ship. Or, in other words, it is said that there is a right on the part of seamen to strike and quit work if labor conditions do not suit them. Now, have I overstated your position?

Mr. McQUAID. I believe so, your Honor. Our position does not go so far. It is simply that the right, as contended by us, exists if the ship is in a safe port.

The COURT. I see. Well, otherwise, it is correctly stated, is it?

Mr. McQUAID. Yes, sir.

The COURT. Now, gentlemen, I have to take the responsibility of deciding what is the law. So far as that defense position goes to justification, I must tell you that it is no justification and has no place in the law. There is no right to strike against the laws of the United States by anybody, at any place, at any time, for any reason, if the laws are constitutional and valid laws; and the conduct of these men on that boat during the voyage for which they had shipped and signed shipping articles, is governed by the laws of the United States, and not by the laws of any association, voluntary or otherwise, whether labor or otherwise,

to which they may belong. Their duty on this ship, on this voyage, is governed by the laws of the United States, and by those only.

Now, the laws of the United States in that respect are contained in the statutes of the United States, and one of them is that the seamen, the crew, must obey every lawful command of the captain, and the contention of the Government here is that they did not obey lawful commands of the captain.

Now, let me make this plain to you, though, because so often when questions affecting labor come into court there seems to be a misunderstanding as to the attitude of the law. The right of seamen to join a labor organization is in no way involved in this case. They do have that right fully, just as members of the legal profession have a right to form a bar association, just as doctors have a right to form an association, just as retail merchants or manufacturers or real estate agents have that right. And they have a perfect right to govern themselves as a union, as they please, subject only to the laws of the country. Furthermore, the right to strike, as such, by laborers, either collectively or as individuals, is not involved in this case, so far as it applies to conditions on land. The right of laborers, whether under contract or not, to strike on land is not questioned. It is freely exercised, and it is not involved in any way in this case. In that respect there is a very grave difference, between the law of the land and the law of the sea, and a moment's reflection will show you how and why that is, and must be, so.

From time immemorial the perils of the sea have made it absolutely essential that there be some one person in command of a ship, because the lives and the safety of everyone on board, including the value of the cargo of the ship which, in these days, sometimes runs into the value of millions of dollars, is dependent upon the wise exercise of judgment and discretion. Just as there must be a general of an army on the field of battle in absolute control whose final word must be taken, so, at sea, there must be a captain in charge of a ship, and the captain's word is taken and it must be acted on, not only by the crew, but by passengers, by stewards, by stevedores, by anybody and everybody, even though the captain makes a mistake. There are a few conditions, in which the commands of the captain of a ship may lawfully and justifiably be disobeyed. One of them is that the crew does not have to go to sea, even after they have signed shipping articles, if there is real good ground to believe that the ship is not seaworthy. Another justification for the crew in refusing to obey a command of the captain or his officers under his authority would be where the captain is doing something that is obviously unlawful, or doing something which the sailors have a just reason in good faith to believe was unlawful, as, for instance, there was the case cited here by, I believe, Mr. McQuaid of counsel for the defendants, where the captain ordered the men to work on Sunday under conditions where there was really no emergency or necessity for Sunday work, and the sailors honestly believed that they did not have to work on Sunday. Then, again, if the captain is inhumane and brutal in his conduct, and undertakes to impose excessive punishment on an individual member of the crew without justification, there may be a justifiable interference and resistance, not only by the individual member of the crew but by others who see the inhumane conduct about to be perpetrated. But, we are not dealing with a situation of that kind in this case.

Therefore, for the law in this case, it is clearly true that the lawful orders and commands of the captain must be obeyed, and that one who refuses to obey them, wilfully and deliberately, has violated a law of the United States binding on him, and he has no justification whatever in saying that his conduct is consistent with some other set of rules that he may think justify him in his action.

Now, there is another reason why this law of the sea which has been carried into the laws of the United States, differentiates necessarily between the rights of employees on land and at sea. If the law gave sanction to the right of the crew to determine questions of policy and management of the ship, you would find very few underwriters, I expect, who would be willing to insure a ship, or a shipping line where it was known that that discipline, or lack of discipline, prevailed. You would find few passengers of discrimination and care who would be willing to sail on the lines where that kind of discipline prevailed. And the age long immemorial customs of the sea have been to the contrary, and the laws of the United States in giving them express written form do nothing more than has been proved by the experience of men for at least a thousand years.

So, I say to you, gentlemen, without any hesitation and without any doubt on my part or any uncertainty whatever as to the law, there being the fullest opportunity to appeal from that view of the law, if it becomes necessary, that there is no right on the part of seamen to strike against the lawful commands of the master of a ship.

Now, it has been earnestly pressed upon me by counsel for the defense that this law is a hundred years old, and that in the last few years we have learned a great deal more than we had ever known before, and many people are changing their views about the differences in positions of employer and employee. I find no necessity for making any comment with regard to the accuracy of that statement or in any way to challenge it, excepting insofar as it relates to this case. We are dealing here with a case at sea and not with one on land, and there is a vital difference between the two, so far as the right to strike is concerned.

Now, however, from the legal standpoint, the defendants offer another defense, which is, if you find the facts as they contend, that is a perfectly sound defense as a matter of law. That is to say, that they did not refuse to obey any lawful command of the captain of the ship. Now, it would be for you, in the first place, to say whether the two positions which they take, first of justification for what they did, and, secondly, of denial that they did what they are charged with doing, are entirely consistent. However, people in court have a right to offer inconsistent defenses, and if either one of them is of itself legal and is established by the testimony, they are entitled to the benefit of that position. The mere fact that they seem legally inconsistent is no reason for throwing them out of the window. You have to fairly consider them.

Now, what is the substance of the testimony on behalf of the defendants in this case? Each of the fourteen defendants has testified with regard to the occurrence at Montevideo. Their testimony, in effect, is that the crew, on their own initiative, held only one meeting during the working hours of the majority, at least, for possibly twenty minutes and that subsequent meetings of the crew which were addressed by Mr. Bianchi, the ship's agent, and by the American Consul and by the captain, were called not on the crew's initiative, but in response to requests from the others mentioned.

The defendants admit that the unanimous vote at the first meeting was that they would not work while the stevedores were on board, or with the stevedores, and would not furnish steam for work by the stevedores, and there is some testimony from some of the defendants, perhaps by cross-examination, that it was their understanding that the steam was to be shut off. However, I want you to carefully search the testimony on that point because most of the defendants, I think, deny that it was their full understanding that the steam was certain to be shut off. The expression was, "to be shut off if necessary." Just what that phrase "if necessary" means is a matter for you to determine. But, the defendants, or most of them, say there was no definite plan as to when or by whom the steam was in fact to be shut off, and none of them know who did actually shut off the steam.

They also state that their first communication by their representatives Roes and Lampkin to the chief officer was intended to be merely a protest against being required to work with the stevedores.

They say they had three objections to the stevedores first, that by their actions as they observed them, they seemed to be inexperienced; secondly, that the stevedores were scab or non-striking stevedores or stevedores substituted in place of striking stevedores, and, third, the crew feared that if they went ashore, their working with these stevedores would cause them trouble on shore. They also say that they did not refuse any direct command from the captain or the officers, and that if such a direct command had been given to them they would have obeyed it. They deny that the boatswain delivered the orders of the chief officer for them to go back to work, and they deny that they ever received any direct order to go back to work from any officer. It is admitted that the only statement that they made to any of the officers, or the only complaint with regard to the stevedores was that they were scab stevedores. They made no complaint of the inefficiency of the stevedores.

You have heard all the testimony with regard to the question of whether the stevedores were efficient or inefficient, or whether that was a real reason for the action of the men, or just a pretended reason. That is a question entirely for you to determine. You may think that the evidence after all is very slight that there was any real complaint on the part of the men as to the inexperience of the stevedores, or that that was any real cause for the basis of their action. Certain it is that they did not make any such complaint to the officers at any time.

In considering and weighing the testimony of the several defendants to the effect just stated, you will also have to consider the other features of the testimony to the effect that the steam was, in fact, turned off, and by whom it was turned off, as you find the fact to be, by inference or circumstantial evidence. The officers have severally testified that they did not turn the steam off and had no order from any officer to turn the steam off, and the defendants testified they did not know

who turned the steam off, but the fact is the steam was turned off and the stevedores had to quit work, and this was the object of the defendants' meeting and vote, to keep the stevedores from working or not to have to work with them.

Now, on this question of fact, as to whether the defendants did refuse to obey the lawful commands of the officers of the ship, the position, as I understand it, taken by some of the defendants, and particularly by the defendant, Parsons, and, possibly by two or three others, was, in effect, that all the men intended to do was to put up a petition or request to the captain of the ship, and to ask him not to expect them to work with striking workmen, that they wanted to get his reaction to that; and the reason for what they did for the rest of the day, the explanation of what happened the rest of the day was that they, in substance, thought that the captain was really in sympathy with their position, and that if the steam was turned off, inferentially, the position seems to be that it must have been turned off by some officer of the ship in sympathy with the actions of the crew.

Now, whether you find that to be the fact or not, gentlemen, is for you to determine from the testimony. I have no hesitation in instructing you in favor of the defendants, that if you believe that all the defendants did in this case was to request the captain of the ship, or the first officer, not to make them work with the stevedores, for the reason that they were striking stevedores, and if they honestly thought that they should be excused from doing that, and that the captain was sympathetic with them in that request, and that the actions of the captain and officers apparently to the contrary was a mere pretense to save their own faces, or something of that kind, then, undoubtedly these defendants had not refused to obey the lawful commands of the ship, or the captain of the ship. But it is a question of fact, of course, as to whether you believe that that was the position really taken by the defendants; in other words, whether they determined to keep these stevedores from loading the ship that day; and do their actions show that the crew was so determined, and, in fact, substituted their will for the will of the captain of the ship, or do you believe that the defendants merely invited the officers of the ship to cooperate with them in not allowing or having the stevedores work that day?

Now, there is the greatest difference in the world between the criminality or non-criminality of those two situations. If the men went through actions and statements and behavior which, in substance, took the command of that ship, with regard to loading her that day, out of the hands of the captain, and substituted their will for the will of the captain, then I tell you that you should find them guilty in this case under this indictment. If, on the other hand, they had no intention of constraining the captain, either expressly or impliedly, and no intention of ever disobeying any order that he might give, and that they were merely making a request to try to draw him out, and that he really fell in with their plan, as some of them seemed to intimate, and never did give any order, and intentionally refrained from giving such order, then I instruct you with equal clarity that you ought to acquit them, that is, these defendants.

Now, it is for you gentlemen to determine what the facts are in that regard between those two factual situations. You, of course, will have to bear in mind all the testimony, you will have to bear in mind the testimony on what Mr. Bianchi did and said to the crew when they were assembled, as bearing on the attitude of the crew and the genuineness of their desire with regard to the management of the ship, you will have to bear in mind what the American consul said and did, and what he has testified to with regard to the conditions as he observed them, you will have to bear in mind, of course, the statements of the officers of the ship, as well as the statements of the defendants. But on that issue of the case as a ground of defense, if you believe that the defendants' position was as summarized by the witness, Parsons, one of the defendants, if you believe him and his testimony in regard to the attitude of the men and the apparent attitude of the officers of the ship, then I tell you to acquit these men. That would create a somewhat different situation, with which this Court has nothing to do.

Now, gentlemen, I have been asked by the defendants' counsel, in their thorough preparation of the case in the representation of their clients, to give you certain particular instructions. And to some extent I am able to comply with that as a matter of law; and to some extent I am not. I will run over some of these things, so that counsel can have my views as well as the jury.

The defendants first make this request, that if the jury should find that no emergency existed, the refusal of the defendants to expose themselves to unnecessary and obvious dangers, does not constitute deprivation of the master's authority.

What is there apparently referred to is the testimony that these stevedores were incompetent, and the possibility that you might find as a fact that the crew thought their lives were in danger if the ship was loaded by these stevedores.

Now, if that was a bona fide reason, gentlemen, for their actions in the matter, if they honestly, reasonably believe that there was a present existing danger of the ship's crew, or some of them being mangled or smashed or generally injured and damaged by incompetent stevedores, then even though they were wrong about it, apparently, because the ship was loaded the next day without incident or accident, nevertheless, if that was the mainspring of their action, and they acted in fear, even though mistakenly, I would unhesitatingly tell you to acquit them. But you would have to find that to be the fact, gentlemen, and you would have to bear in mind all the testimony bearing on it.

Now, secondly, that the concerted action of the defendants in demanding that the danger to which they were exposed be eliminated, which concerted action, notwithstanding, recognized the master's authority and does not directly interfere with its exercise so as to imperil the ship, cannot be construed as endeavor to make a revolt.

Well, I suppose that refers to the same matter of the stevedores. I think there is no further comment necessary as to that.

Third, that if it is found that the defendants announced their intention of refusing to work with the non-striking or strikebreaking longshoremen at a time when the master of the vessel had full access to the civil authorities, and to the ordinary processes of the courts, they are not guilty of endeavor to create a revolt.

I decline that instruction. I do not think the fact that the captain might have gone ashore and gotten the Uruguayan police to come in and arrest these men is a defense on their part to the charge that is made here in this court. This vessel belonged to the United States. When it was in the harbor of Montevideo it was in a place where it had a right to be. The laws of the United States with regard to the duties of seamen followed that ship on her voyage with these men. Whether she was in a safe port or an unsafe port, whether the conduct that was complained of could have been made the basis of discipline by the Uruguayan authorities, I think is wholly outside of the case. I therefore refuse that instruction No. 3.

Fourth, that if it is found that the defendants actually refused to perform work in conjunction with non-striking or strikebreaking longshoremen at a time when the master of the vessel had access to the civil authorities and the ordinary processes of the courts, neither then are they guilty of endeavor to create a revolt.

For the same reasons I decline that instruction.

Fifth, that a combined stoppage of work on board a vessel in a safe harbor, which stoppage does not result in danger to the vessel, for the improvement of working or safety conditions, or, in other words, a strike, does not constitute endeavor to create revolt.

I think it is unnecessary to say anything further on that point.

Sixth, that if it is found that the concerted action by the defendants, even though ill-advised, did not result in danger to the vessel and was not intended to deprive the master of his authority, the defendants are not guilty of endeavor to create revolt.

I think I have already covered that, gentlemen, in what I said to you with regard to the attitude of the defendants.

Seventh, that a joint demand on the master by the defendants for improvements of working or safety conditions, if it does not usurp the master's authority by means of force, fraud, or intimidation, does not constitute endeavor to create revolt.

Well, I think that is a sound proposition of law. Just how far it is applicable to the facts of this case I am not entirely clear. If it is meant by that that improvements in working conditions had reference to strikebreaking stevedores, I would say to you, as I have already said, that that was a matter for the determination by the captain of the ship. If the defendants merely asked the captain to refrain from compelling them to work with strikebreakers, that is one thing; if, on the other hand, they told the captain of the ship that they would not allow him, in substance, to load the ship with strikebreakers, that is quite another thing.

Eighth, that the crime of endeavor to create revolt implies both the intention and a step toward its accomplishment; therefore, it is found that either the intention or the step toward its accomplishment is absent, the defendants are not guilty of endeavor to revolt.

I think I have already covered that, but to be certain about it I will say this: the first count in the indictment here charges an endeavor to revolt, to cause a revolt; and the second, a conspiracy to cause a revolt. Conspiracy is merely

the agreement to do the thing. The charge of the endeavor, however, implies taking some action towards it. Now, concretely, as applied to this situation that you have here, if you believe that there was an agreement on the part of the men in the meeting, to prevent the loading of the ship by strikebreakers, and nothing was done actually to bring it about, then you would have a case of conspiracy, but not a case of endeavor; that is to say, the testimony then would relate to the second count in the indictment, and not to the first. If, however, you find that they not only agreed to try to take the command of the ship out of the hands of the captain, with regard to the loading of the ship, but that they intended to do that by means of cutting off the steam, and then they actually, or some one acting for them did, cut off the steam, then you would have the case of an endeavor; indeed, you might have a case pretty close to an actual revolt; but you would have the act which makes it an endeavor, which is a step beyond mere conspiracy.

Well, now, gentlemen, I think I have covered the whole case. I have just a final word to say to you about your general approach to the consideration of the case.

Both parties apparently agree that this is an unusual case. And it certainly is that. I doubt if any one connected with this court has ever had a case of this particular kind to deal with before, although there have been other cases in other courts some years ago.

Now, the case also is defended on a basis which makes it, in a way, a delicate subject to deal with; that is to say, the relations of employer and employee; and the case, therefore, gentlemen, calls for very clear, straight thinking on the part of this jury. Before you were selected on this jury you all said that you had no feelings or convictions or opinions with regard to strikes, and so on, that would influence your fair, impartial, and unbiased judgment. I am sure you meant that. I am sure you were sincere in that. But sometimes the trial of a case, with more or less heated controversy over several days, arouses feelings which otherwise might have been lying dormant.

Now, when you go to your jury room, after you have heard the arguments of the counsel in the case, don't approach the decision of this case—the guilt or innocence of these defendants—don't approach it with any feeling of bias or conviction either for or against employers or employees, capital or labor, strikebreakers or union men. That should be entirely outside of the case. Don't approach it with any idea of sympathy either for capital or for labor, for ship-owners or for seamen. Approach it simply from the standpoint of trying to determine what you believe to have been the real facts in this case as to what happened in the harbor of Montevideo. And most of those facts, gentlemen, are really not controverted by the parties. We know the men held the meetings, we know they sent their delegates up, we know that is not disputed. There is little dispute that the steam was, in fact, turned off. Who turned it off, we are not told by any direct testimony. You might find it by circumstantial or inferential testimony. We know what the representatives of the men after the meeting said to the chief officer when they conveyed the message of the men to him. We know that the American consul was sent for, and what he said to them. We know that the captain went on shore and telephoned to Washington, and came back and gave the message; and the men then all said that they would individually obey his commands.

Now then, really the crux of the case on the facts for you to determine is whether the fact that this boat was not loaded that day was due to the attitude of the crew in substantially imposing their will on the management of that ship, in which case I have instructed you somewhat fully as to what your duty would be, or whether you find that the failure of that ship to load that day was due to a mere request on the part of the crew for the captain to act sympathetically with the men in not working with the strikebreaking stevedores, and that these men had no intention at any time during that day to do anything against the will of the captain, and that if anybody is at fault in this case it is the fault of the captain being sympathetic with the crew, and not the fault of the crew in making the captain, in effect, conform to their wishes against his own judgment.

Now, that is the case, gentlemen. And as you find that situation to be, your verdict ought to be. If you find it one way, you ought to find a verdict of conviction against such of these defendants as you think joined in the conspiracy, if there was a conspiracy. If you think the other way, you ought to acquit every one of these defendants. You can, of course, convict some and acquit others. You can convict any or all on one count and acquit all or any on the other count.

And you ought to consider the cases of the men separately, and not merely collectively. Some two or three of these men stated in their testimony that they really did not know what it was all about. They do not speak English very well; and although they went along with the meeting, they really did not know what was going on. If you find that that is the case with respect to them, even if you find a different situation with respect to the others, it is entirely within your province to say to what extent the man should be condemned for something that he conformed to without a full understanding of its implication.

Now, do counsel desire to take some exceptions to the charge?

Mr SCHWEINHART. I was going to say this, your Honor, in reading the statute you read the part about the punishment. You might say to the jury that they are not concerned with the matter of punishment.

The COURT. I take it that the jury knows that. That is always a matter of sentencing. If a defendant is convicted in this court, it is the responsibility of the judge, and the jury are not concerned with that, except in so far as at any time they desire to make any formal communication to the Judge with regard to the matter. I am not suggesting that you would have any occasion to do so in this case. I have already indicated to you, though, gentlemen, that the charge here against these men is not of the serious form of a possible revolt on board ship.

Mr McQUAID. If your Honor please we have exceptions, of course, to the written requests that were refused, I assume.

The COURT. Yes; certainly.

Mr McQUAID. Now, if your Honor please, there is only one matter of the charge that strikes me as not being in accord with the theory of the defense in the case, that each one of the men would like to except to, if I understood your Honor correctly. Your Honor will recall that in your charge you stated to the jury that the defense in this case presented a defense on two fronts, that they seem to be somewhat inconsistent. As stated by your Honor, I think they probably were. Your Honor stated that the defenses were that, first since there was a strike in this port, or we thought there was a strike in this port, we would be justified in refusing to obey the lawful commands of the officer; and secondly, our second line of defense was that there were no lawful commands given to us which we refused to obey. That, of course, is prima facie inconsistent. Our position is not that, may it please the Court. Our position is that inasmuch as there was a strike in the port, we felt justified in protesting to the authorities that we would not work with the stevedores, but our defense is not that we would carry that protest to the extent of refusing to obey a lawful command.

The COURT. Well, then, I understand you take the position now that you did not claim there is any right at sea to strike against the commands of the captain of the ship.

Mr McQUAID. We do not contend that in this case, your Honor.

The COURT. Well, gentlemen of the jury, if that is so, of course it is unnecessary for you to consider any further that aspect of the case. That is to say, that is now out of the case. It appears that I misunderstood Mr. McQuaid's position on that. And, of course, it is quite unnecessary for me to have told you that there was no right to strike when the defendants are not claiming the right to strike. Their claim is that they did not refuse to obey a lawful command, but they merely presented a protest; is that right?

Mr McQUAID. Well, if your Honor please, I am afraid I may not have stated it very clearly. I think what your Honor has in mind is this: In the oral argument for the motion for a directed verdict, we argued that there was a right existing to strike, but we do not think it is necessary to our defense in this case to say that, because we feel that there was a right to strike and we were justified in disobeying a lawful order, but we do not mean to contend that to this jury.

The COURT. Let me see if I can put it to the jury in just a brief way. Gentlemen of the jury, if you find that there was no resistance or refusal to obey a command, general or specific, of the captain of the ship, then the defendants are entitled to be acquitted, and the question of the right to strike does not arise. If, however, you find that there was a wilful refusal, in concert, to obey the lawful orders of the captain in this case, under the circumstances set out, then the right to strike by the seamen is no legal justification for their refusal to obey the commands.

Does that put it the way you want it?

Mr. McQUAID. Yes sir.

Mr. SCHWEINHART. Now, may it please the court, on two or three occasions, your Honor has mentioned orders of the captain. May the jury understand that they need not be orders from him personally, but through any officer.

The COURT. Well, the custom of the captain, I understand, is to communicate orders through his executive, or chief mate, and the orders are given by the chief mate presumably coming from the captain.

Any other exceptions?

Mr. McQUAID. No, sir; no other exceptions.

The COURT. Well, gentlemen of the jury, I am sorry to have kept you so late tonight, but, as I say, I want to advance the case, and give counsel a little longer time tomorrow to argue the case on the facts.

Does ten o'clock tomorrow morning suit you?

Mr. McQUAID. Yes, sir.

The COURT. Adjourn then until tomorrow morning at 10 o'clock.

Do not discuss the case out of court.

(Thereupon, at 5:30 o'clock p. m., an adjournment was taken until tomorrow morning at 10 o'clock.)

EXHIBIT 2

QUOTATIONS FROM REPORTS OF AMERICAN CONSUL, HAVRE, FRANCE, DATED OCTOBER 26, 1937, AND AMERICAN CONSUL GENERAL, AMSTERDAM, NETHERLANDS, DATED DECEMBER 1, 1937.

* * * The *S. S. Nashaba* is owned and operated by Lykes Brothers Ripley Steamship Company, Inc., sailed from Galveston, Texas, on September 14, 1937, with cotton and general cargo bound for Havre, on October 3, 1937, hit some submerged object off the French coast 18 miles from Cherbourg, was beached by tugs and on October 15, 1937, was towed into the port of Havre and put in dry dock for repairs.

Having thoroughly investigated the living conditions on board, I went on the vessel on the afternoon of October 20th for a further conference with the union delegate. I found that the entire crew of the vessel had refused the master's orders to turn to and that no work had been done that day by any members of the crew. No work had been done the previous day by members of the crew, except in the stewards department, but the master had not insisted on crew turning to until they had an opportunity to present their complaints to the consulate.

I informed the union delegate that my investigation of living conditions on board the vessel showed that the complaints were based on conditions which had already been remedied or would shortly be remedied and that, even when they existed, they constituted only slight inconveniences, entirely too trivial to require the crew to be lodged ashore. That providing lodging ashore was impracticable because the nearest available lodging was between two and three miles from the vessel and the crew was required on board to perform their regular duties and to preserve the safety of the vessel and cargo a large part of which was still on board.

The union delegates replied that the members of the crew were dissatisfied with conditions on board but stated no causes for dissatisfaction other than those which had been investigated. He stated further that the members of the crew desired to be discharged and repatriated to the United States.

The union delegate then informed me that the members of the crew would hold a meeting that night with a committee from the Syndicate of Workers of the Port of Havre and with the members of the crew of the American *S. S. West Moreland* of the same line which had just arrived at Havre from the United States, and would decide whether they would return to work or continue the sit down strike. I agreed to come on board the vessel at 10 a. m. next day to discuss the final decision of the crew. I pointed out to the union delegate that the only condition mentioned in his complaints which had not been remedied, was the distance to the toilets, and advised him not to continue a sit down strike based on that condition, since the association of ideas would furnish the press with an opportunity to reduce the matter to absurdity and bring ridicule on the crew and the union, which was too obvious to require comment.

I have since ascertained that the crew of the *S. S. Nashaba* received no encouragement in their strike from the crew of the *S. S. West Moreland*. In fact that the crew of the latter vessel having listened to their complaints told them they were acting in a childish and ridiculous manner and strongly advised them to return to work immediately. I have also heard that the conference with the delegates of the Syndicate of Workers of the Port of Havre did not inspire the crew of the

S. S. Nashaba to continue their strike. Their complaints regarding insufficient bathing facilities on board were judged by the French dock workers as being of a most trivial nature while that regarding insufficiency of heat failed to arouse any deep sympathy on the part of the dock workers, few of them having any heat in their homes or places of work.

The strike by members of the crew of the *S. S. Nashaba* has been reported in detail to bring to the Department's attention the increasing disregard for discipline and spirit of unrest which is unfortunately being manifested among crews of American vessels and the trivial and insignificant pretexts on which a strike movement on board an American vessel in a foreign port may be based.

* * * * *

In realization of the possibility of further difficulties, mention is made of the fact that it has been reported to this office that the members of this crew held a sit-down strike aboard at Le Havre in protest against their living conditions there and that that difficulty was adjusted with the assistance of the American consul. The members of the crew have also complained, although no formal complaint was lodged with this office, that they were not provided with suitable food, lodging, and travel accommodations when they were transported from La Havre to Amsterdam; one member of the crew mentioned, as a basis for complaint, that they were not provided with first-class rail transportation between Lille and Brussels.

In deciding to agree to the demands of the crew, the representatives of the owners appeared to be influenced by the possibility of a strike on the *S. S. Nashaba*, when that vessel may be ready to sail, and with the effects of the dispute on crews of vessels under the same ownership in American waters. * * *

EXHIBIT 3

REPORT OF AMERICAN CONSUL GENERAL, MONTEVIDEO, URUGUAY, DATED OCTOBER 22, 1937

I have the honor to refer to the Consulate General's despatch No. 933, of September 13, 1937 (file No. 886.3), concerning a strike on board the Government-owned steamship *Algic* and the position taken by the Maritime Commission in that connection that even though the sailors involved were striking in sympathy with Uruguayan longshoremen their action was unqualifiedly illegal.

The following notice is pasted on the Shipping Articles, dated at New York, September 20, 1937, of the *S. S. Collingsworth*, owned by the United States Government, and operated by the American Republics Line, in the space "It is also agreed that":

"Crew to be paid off at an Atlantic coast port north of Hatteras at master's option.

"The crew under no circumstances are [sic] to bring on board liquor or other contraband articles, and if any member [sic] of the crew violates this rule he will become personally liable and subject to any fines imposed by the laws of the United States, port, or country at which violations occur, and such fines will be deducted from his wages

"Crew to work cargo when or where ordered by the master or officer in charge. Excepting in port where there is any labor trouble. [Initialed] TP."

The last sentence, "Excepting in ports where there is any labor trouble", has been added in pen, apparently by the same hand which signed "TP" who is assumed to be T. Pasqualino, Deputy U. S. Shipping Commissioner who signed the citizenship certificate on the final page.

As this penned-in sentence was written more than a week after the *Algic* incident and runs directly counter to the dictum of the Maritime Commission in that case, and as such a statement in the articles might cause great difficulties in a foreign port, it is respectfully requested that this matter be brought to the attention of the Maritime Commission and that the consulate general be instructed as to what action should be taken in the event that other Government-owned vessels arrive here with shipping articles containing a similar clause.

EXHIBIT 4

REPORT OF AMERICAN CONSUL GENERAL, ANTWERP, BELGIUM, DATED SEPTEMBER 27, 1937

At the request of Noren Norrensen, captain of the steamship *Black Gull*, of the Black Diamond Lines, I have the honor to enclose, for such disposition as the Department may consider appropriate, the sworn statements of Captain Noren Norrensen, of Third Mate Stanley Packlick, and the statement of Joseph Williston, seaman, which he refused to sign.

The enclosed statements relate to an alleged attack by the seaman Joseph Williston on the Third Mate Stanley Packlick. The consul who investigated the affair, however, is of the opinion that the importance of this fracas has been greatly exaggerated and did not find it necessary to discharge the seaman in the port of Antwerp for insubordination. Indeed the captain himself wished no action taken in Antwerp other than to have these statements recorded.

It appears that Joseph Williston is the seamen's union leader and that he has been responsible for the agitation in which the seamen have been indulging on board the *Black Gull* for some time. The captain, consequently, is desirous of bringing a charge of assault and battery against him upon arrival in New York in order to have him removed from the crew.

The boatswain, who was a witness to the trouble, has been interviewed in this connection but refuses to make a statement of any kind. A seaman of Greek origin, known to his shipmates only as Harry, was also apparently a witness.

Noren Norrensen, captain of the steamship *Black Gull* of the Black Diamond Lines, being duly sworn deposes and says as follows:

"At about 9.35 p. m., September 23, 1937, the above named ship being just prepared for sea at Rotterdam, it was reported to me that seaman Joseph Williston had verbally insulted Mr. Stanley Packlick, the third mate, who was then attending to his duties. Mr. Packlick ignored said insults, according to reports made to me, and finally told this man to proceed back to his quarters. Williston, instead of going back to his quarters, assaulted the third mate by striking him in the face with his fists."

Stanley Packlick, third mate of the steamship *Black Gull* of the Black Diamond Lines, being duly sworn deposes and says as follows:

"I was on duty at 8 o'clock p. m., September 23, 1937—I don't know the exact time—when he (Joseph Williston) made a remark, and I passed it up. About ten or fifteen minutes later, when I was standing on the after-deck of the amidships deck, the man made another remark, and so I thought it best to advise him to go back to the after-deck as they were starting to close the hatches at this time. I thought it best to advise him to go back to the bunk; whereupon he made a foul remark of what he would like to do to me. I told him that he had better go back because he might be hit by one of the beams flying around; and when I advised him to return to his quarters, he made an attempt to come forward. I was not running away from him; nor did I want to start any trouble either, so the boatswain came between us and also advised him to return to his quarters, and he still made a step forward; and as I was standing there knocked me on the chin. I thought it best to let it go, and walked away. I then reported it to the first officer."

Joseph Williston, seaman of the steamship *Black Gull* of the Black Diamond Lines, being duly sworn, deposes and says as follows:

"I came on board the ship a little before sailing and I was standing by the mess room and there saw two men, one was the boatswain and one of the AB's. I wanted to go aft and the boatswain made some remarks about the third mate and I made another one about the third mate. I did not know the third mate was present at the time. The first thing I know was that the third mate came up and hit me so the boatswain and the AB stepped between us and that is all there was to it except that I got my coat torn. I was not drunk at the time, I had had a few drinks but I was not drunk. The third mate advanced on me, I did not know the third mate was present. He assaulted me and he is bringing a charge against me. I think, however, it is to get me out of the ship, as this matter is of no importance at all, because of the part I have taken in agitation on board the ship for better conditions for the crew."

"I have made no agitation on the ship since leaving New York—this is my fourth trip."

JOSEPH WILLISTON,
(Not signed).

EXHIBIT 5

REPORT OF AMERICAN CONSUL, BORDEAUX, FRANCE, DATED SEPTEMBER 1, 1937

I have the honor to report that Capt. Clifton Smith, master of the S. S. *Schodack*, of the America France Line, complained to me yesterday morning of crew difficulties.

He stated that the ship docked in Bordeaux at 11 a. m. on August 29th, and that because it had failed to make port on Saturday, and thus afforded an uninterrupted week-end in port for the crew, the union delegate aboard demanded a day off for all hands. The master explained the difficulties involved in granting a day off and refused to give the permission. On Monday night, immediately after supper, the crew left the ship, with the exception of the boatswain, regardless of necessary work to be done. As they were leaving, the master emphasized the fact that the ship must shift its position that evening, in order to catch the tide, and that the crew would be required by 10 p. m. At 11 p. m. not a man had returned, and the vessel's position was shifted by the master, his four officers, and the boatswain. Some of the men did not return until 3 a. m. the next day.

Captain Smith assures me that the entire crew is organized by the C. I. O.

Respectfully yours,

W. PERRY GEORGE,
American Consul.

EXHIBIT 6

REPORT OF AMERICAN CONSUL, KOBE, JAPAN, DATED JULY 23, 1937

I have the honor to refer to an incident which recently took place in connection with the arrival at this port of the steamship *President Cleveland*, of the Dollar Steamship Lines, which is typical of the deplorable lack of discipline which now seems to be the rule on American ships.

Captain C. Jokstad, of the S. S. *President Cleveland*, called at the consulate on the morning of July 19, 1937, to attend to matters pertaining to the ship. He inquired if there was a seaman available at this port to fill a vacancy in the engineering department, caused by a wiper who failed to rejoin at Shanghai.

It happened that there was available an American citizen and bona fide American seaman named Ed Shaffer, who had been discharged at Moji from the British S. S. *Tower Crown* and brought to Kobe by the vessel's local agents, Messrs. Dodwell and Company. Shaffer was brought to the consulate and, being in possession of an American seamen's continuous discharge book (No. 142913) and a wiper's certificate (No. E89718) issued by the United States Department of Commerce, was duly engaged to fill the vacancy. He was instructed to report to the 1st assistant engineer aboard the *President Cleveland*.

At 3:30 Shaffer returned to the consulate and stated that after reporting to the 1st assistant engineer, certain members of the crew had threatened him after they learned that he was not a union man, and he was told to get off the ship or he would be thrown over the side.

Captain Jokstad was sent for and after the matter had been discussed it was decided that Shaffer would accompany the captain to the vessel and the difficulties would be straightened out with the engineer's delegate and the troublesome crew members.

About an hour later, however, the master telephoned to the consulate from the vessel to the effect that although matters had been settled satisfactorily with the delegate, Shaffer had apparently been so intimidated that he preferred not to remain aboard.

In reporting this incident, which I understand is much milder than many similar affairs which have occurred at other seaports, it should be added that the lack of discipline and lack of courtesy of the personnel of American ships is rapidly giving them a bad name. In some cases, Americans traveling through Kobe have told the consulate that they were really afraid to travel on their own ships, and felt much safer on foreign ships. The entire situation is deplorable, and, both as an American official and as an American citizen, one can only feel ashamed that conditions little short of mutinous prevail on our steamers.

EXHIBIT 7

REPORT OF AMERICAN CONSUL, YOKOHAMA, JAPAN, DATED JUNE 24, 1937

I have the honor to report that the officers of the S. S. *President Wilson* have informed this office of the failure of the members of its crew to obey orders given by the officers in connection with the departure of the vessel from the port of Kobe, Japan, on June 21, 1937. This report was given to the Consulate in connection with the request of Captain C. D. Austin for the discharge of Boatswain's Mate J. Martin on grounds of gross misconduct.

Affidavits of Chief Officer V. Nielsen, Second Officer B. Schultheis, and Third Officer J. Reid, state that Mr. Martin refused to obey the orders of the Chief officer; that he engaged in a fight with the chief officer; and that he publicly threatened to kill both the chief officer and the second officer. Mr. Martin was discharged from the vessel at this consulate by mutual consent, on June 22, 1937.

Chief Officer V. Nielsen, by affidavit, and the other officers by oral statements, related the action of the crew in refusing to cast off the lines at the time of the ship's departure from Kobe. There follows a summary of this incident as stated in the affidavit of Chief Officer V. Nielsen, the original of which is filed in this consulate:

"At 5:40 p. m. the men were ordered to stand by to let go the ship's lines. A short while after, the second officer came up to the bridge and reported that the men aft refused to let go the lines. I sent for the sailor's delegate to come to the bridge. He came up and told the captain that the sailors would not let go the lines until all cargo booms were secured. The captain told him, 'Get them secured and let us get out.' The sailor's delegate then asked the captain what he was going to do with J. Martin, the boatswain's mate. The captain replied that he was going to be logged and he told the sailor's delegate to tell the sailors to get the gear secured and let go the lines. The sailor's delegate replied that he was going to call a meeting of all the crew members first. A little later he came back up to the bridge and reported to the captain that the sailors had decided to have supper before they secured any gear or let go the lines.

"While the sailors were having their meeting the ship's officers and cadets cast off the lines."

EXHIBIT 8

FROM REPORT OF AN AMERICAN CONSUL, DATED APRIL 13, 1937

It will be noted that the local government will only assist the consul in the event of a strike or mutiny on an American vessel if there is danger to property or person arising out of the action of the crew, and will not interfere so long as the crew remains peaceful and commits no offense against the laws of _____.

EXHIBIT 9

FROM REPORT OF AMERICAN CONSUL, BOMBAY, INDIA, DATED APRIL 22, 1937

Captain H. S. Bauer, master of the S. S. *President Adams*, informed me that last night at about 9 p. m., while the purser was paying off advances to the men, a man named Jarrol, A. B., disputed his right to deduct from the wages what he owed for slops and loggings. Another drunken seaman, Sandelin, A. B., was very heavily intoxicated and got into the argument, abused the freight clerk, calling him vile and filthy names in the presence of passengers and other people and so infuriated the freight clerk that the latter attempted to strike him. Sandelin and another seaman jumped the freight clerk and were administering heavy punishment, when the first officer came, pulled Sandelin away, and ordered everybody off the saloon deck. The captain there upon ordered no more money to be paid to the crew until 10 a. m. on April 21st, on which day only their money was due.

The captain states that during most of the rest of the night there was fighting going on in the forecastle, that many of the crew were drunk, and that one of the boatswains was badly beaten up.

While the attack on the freight clerk was taking place, a representative of Forbes, Forbes, Campbell & Co., Ltd., the ship's agents, went on the dock to request a policeman to arrest the disturbers. He was told that the captain would have to appear personally next day to appear for the charge and remain for the trial as a witness, which would hold up the ship several days.

* * * * *

Having heard that the *President Adams* was to leave the dock at 6:30 p. m. (April 21, 1937) and anchor in the stream to finish loading, I proceeded to the dock at 6 o'clock to see what was transpiring. I was greeted by the captain with the news that a series of most disgraceful incidents had just been occurring. It appears that there was a detachment of police on the dock headed by Superintendent C. H. Klein with five or six white sergeants and inspectors and about 20 sepoys armed with lathis. The captain informed me that the steward was standing on the deck with a number of passengers when a drunken seaman appeared on the dock and shouted to him to come down "you _____," to the disgust of the passengers and other people present on the dock. Another drunken seaman walked up to one of the inspectors of police and dared him to arrest him, at the same time boasting that he had spent two years in jail in Manchester, England. Other sailors started to give the barber a beating and still others were prevented from assaulting the captain.

Superintendent Klein told me that although the verbal abuse and insults hurled at the inspectors were almost unbearable, as long as no blow was struck the officers were under instructions to make no arrests for fear that the crew would start a "sit-down" strike. Captain Bauer stated that complete records had been made for the log book of what had transpired and would be available.

* * * * *

It is needless to repeat many of the stories told me by Captain Bauer of seamen, including boatswains, when drunk, thrusting their heads through the windows of passengers' cabins and demanding liquor, of attempting to break down doors to get it, of the complete lack of discipline and the impossibility of enforcing it, of the insolent and offensive demands of the seamen's delegates, of the open threats against the life of the chief steward, etc. There is attached to this memorandum a copy of a notice served on the captain on March 13, 1937, by what was purported to be a joint meeting of the steward, engine, and deck departments.

JOINT MEETING OF THE STEWARD DEPARTMENT, ENGINE DEPARTMENT, DECK DEPARTMENT, HELD ABOARD S. S. "PRESIDENT ADAMS," BETWEEN HONOLULU AND KOBE, DATED MARCH 13, 1937

The following resolution was adopted unanimously by the meeting of members of the above departments:

Whereas at a joint meeting called by request of captain H. S. Bauer on March 4, 1937, for the purpose of settling a food dispute, and

Whereas a lengthy discussion on food took place and was settled to everyone's satisfaction, and

Whereas Captain H. S. Bauer has put false construction on what transpired at said meeting, and

Whereas he has threatened to take action against Delegate Dunne of the engine department, Delegate Thompson of the deck department and Quartermaster Kitson in the first American criminal court for allegedly threatening the chief steward, and

Whereas the charges are false and unfounded, and

Whereas Captain Bauer is doing everything in his power to cause discontent amongst the crew: Therefore be it

Resolved, That we, the unlicensed personnel of the three ship departments, condemn Captain H. S. Bauer for this frame-up and demand an apology; and be it further

Resolved, That in the event he should bring action against these three brothers in a criminal court in Shanghai we the crew who are striving to maintain harmony and to act as union men will protest in a body to the American authorities in Shanghai.

Submitted by Hans Haitela, Q. M., 4398 Sup.

Seconded by John H. Thomas, Wiper, M. F. O. W., 184.

(Copies to captain chief engineer and chief steward.)

EXHIBIT 10

FROM REPORT OF AMERICAN CONSUL, AUTOFAGASTA, CHILE, DATED MARCH 23, 1937

During the past few years the undersigned has heard the complaints of many masters (all of west coast ships) regarding the unionization of their crews to such an extent that vessels are sometimes run not by the master but by committees named by the crew. Efforts have even been made (fruitless, of course) by such sailors and committees to dictate to the consul. However, this is the first time that I have seen ship's officers join these subversive movements and the first New York ship (in my experience) to have become subject to such influences. The case of the *Liberty Glo* is an extreme example of the effects of lack of a rigid discipline aboard.

Another point subject to criticism is the almost universal habit of qualifying a seaman's conduct as "Very good" on all discharges, regardless of his actual conduct. During the investigation of the *Liberty Glo* case the port captain of Tocopilla said he could not well credit the ill reports regarding Jose and John Gonzalez since on all their discharges their character was described as "Very good." Nevertheless, on the previous voyage these men had brawled in the master's cabin and, even if they did not actually strike him, had to be removed therefrom by force, being ejected by the 2nd officer. Despite their discharges, they are notorious trouble makers.

An extra copy of this despatch is enclosed for the district attorney at New Orleans, should the Department wish to transmit it.

Original telephonic reports received by this office on March 19th and 20th indicated that the crew was in a state of insubordination, refusing to sail with John and Jose Gonzalez aboard and even demanding the removal of the master on the grounds of his incompetency.

Proceeding to Tocopilla the evening of the 20th the undersigned thoroughly investigated the disturbance which, had it occurred on the high seas, could certainly have been qualified as a mutiny.

The Chilean authorities were anxious to clear their hands of the case, and the port captain even offered me the use of armed forces to restore order and discipline aboard, should they be required.

You will realize, after reading the conflicting testimony of the witnesses, the complexity of this case. Their depositions were taken down by me under extremely trying conditions, without assistance, on an antiquated and battered typewriter and with frequent interruptions and other annoyances caused by drunken members of the crew. The breakdown of discipline was practically complete, with one quarter of the crew ashore and most of the remainder under the influence of liquor, including the 1st and 3rd officers, the 1st assistant engineer, and the quartermasters.

Even when all of the crew had come aboard the Chilean pilot refused to take out the ship as the crew was in no fit condition to man her.

It was not possible to take down the evidence of Ray Hill, chairman of the meeting held by the crew, since he came aboard only at 3:15 a. m. and was completely drunk at that time.

With much difficulty, I was finally able to ensure the departure of the ship. This was done after much argument with the officers and influential members of the crew, pointing out the gravity and possible consequences of their acts of insubordination. The threat of Chilean intervention also had some effect. Personal appeals were useless.

It is my confidential opinion that this disgraceful and dangerous incident had its origins, as in most disciplinary failures, at the top. The weakness and indecision of the master was taken advantage of by a brawling, drunken, disloyal chief officer who should have been his principal supporter. The chief, in turn, influenced the younger, less experienced and more impressionable 2nd and 3rd officers. With this state of affairs, the actions of the remainder of the crew (which had its full share of sea-lawyers, agitators, and union delegates) were not surprising.

EXHIBIT 11

FROM REPORT OF AMERICAN CONSUL, YOKOHAMA, JAPAN, DATED
JANUARY 24, 1936

* * * Since the beginning of the labor difficulties on the Pacific coast, culminating in the general strike in San Francisco in 1934 there have been almost continuous reports of labor troubles aboard the American merchant ships. As the striking seamen were taken back into employment they systematically attacked with physical violence all the strike breakers that remained upon the ships. Most of the latter have been forced out of their employment or to join the union. Most of the fights between the union seamen and the strike breakers are not officially reported to consular officers, but ship captains state that they take place on nearly every voyage when a non-union seaman is member of the crew.

The Department is no doubt aware of the attack by two or three union seamen upon a non-union seaman which took place in Hong Kong several months ago, which resulted in the death of one of the assailants and the acquittal of the non-union seaman by the British court. The court, it is said, indulged in an outspoken criticism of labor conditions aboard American merchant ships. * * *

* * * it is common knowledge about the port that due to labor troubles on the West coast of the United States, discipline aboard American vessels has fallen to a very low ebb.

Laxity on the part of officers in enforcing discipline, however, has been brought about to a large extent by conditions of employment in the United States. There have been cases reported in Yokohama of crews refusing to sail because a particular officer was aboard the vessel. In such a case the owner can delay the sailing, tie up the vessel, or replace the officer. The officer has little incentive to maintain an orderly ship if by so doing he will excite union opposition and thus jeopardize his means of livelihood.

It is not my intention to condemn the unionization of seaman, because of the many captains and officers with whom I have talked, all have been in agreement that unionization will eventually improve conditions for officers and seamen alike. Masters and officers feel, however, that they should be allowed to operate their vessels at sea without fear of interference from union representatives when they return to the United States. At the present time a union representative for each department sails with each vessel as a member of the crew and in most cases his capacity is that of chief obstructionist.

Granting that some of the navigation laws of the United States were passed to release the seaman from a brutal system of exploitation at the hands of owners and officers, the situation would appear to be such at the present time that a little power in the hands of seamen has become a dangerous thing. Conditions aboard American vessels at the present time are a common topic for conversation among shipping people in Yokohama and offer a splendid field for propaganda against American shipping in general.

Masters of vessels are to some extent responsible for the situation because they have failed to bring many incidents occurring aboard their vessels to the attention of consular officers at the next port of call. In many cases it would seem that there is a conspiracy of silence against consular officers on the part of masters and local agents of vessels. This is due principally to the contention of masters that shipping commissioners in the United States are granting no support to endeavors to control the actions of crews while at sea and in foreign ports.

Of the vessels calling at the port of Yokohama those of American registry are better found and the crews more highly paid than those of any other nationality and during the past fifteen months at least all complaints lodged by seamen have been unreasonable or of a most petty nature and seemingly made for the sole purpose of creating trouble.

EXHIBIT 12

FROM TELEGRAM OF AMERICAN CONSUL, BOMBAY, INDIA, DATED SEPTEMBER 8,
1937

At 10 a. m., on September 5th, the entire American crew of the steamship *President Wilson* went on a "stay in" strike by refusing to make steam and held up all ship's activities except essential sanitary services. The demands were for the

same food served the passengers and officers, and some inconsequent demands. The strikers' delegates were offensive to the captain who showed admirable restraint under most provocative circumstances. It was meeting under sections 350 to 353 of the consular regulations as first, the crew would not tend fires to enable steam to be turned on; second, they united in action to refuse to obey the captain's orders; third, they held meetings on board at which officers were refused admission; fourth, they complained neither to the captain nor the consul regarding food before going on strike; fifth, they would not turn to unless the captain complied with their demands.

In view of seriousness of the situation and doubt as to the extent of the cooperation of local authorities, captain was advised to temporize and was forced to give the crew a written statement that he would see their food was properly prepared, thereupon steam was turned on at 2:30 p. m.

This stay in strike was in the nature of a tryout and it is practically certain it will reoccur in the near future at Bombay or some such port as it is understood that the United States mail contract expires at Colombo.

* * * * *

EXHIBIT 13

FROM REPORT OF AMERICAN CONSUL GENERAL, MONTEVIDEO, URUGUAY, DATED
OCTOBER 28, 1937

* * * * *

The consulate general was notified by Captain La Porte, master of the *Collingsworth*, during the morning of October 23, 1937, that the Montevideo stevedores had decided the previous night at a meeting to refuse to load ships of the American Republics Line. It was subsequently learned from Mr. Carlos Bianchi, special agent of C. H. Sprague & Son in Montevideo, that the action of the stevedores was based on the following telegram which he saw and reports as follows:

"STEVEDORES, SYNDICATE,

"Montevideo:

"Crew of SS *Algic* in court for action taken. Montevideo sympathy with members your organization who were striking. Suggest action on all this company's ships until crew is released.

[s.] PATRICK B. WHALEN,

Port Chairman, National Maritime Union.

Later in the morning, Mr. Bianchi called at the consulate general and said that he had arranged for ample non-union labor to unload the *Collingsworth* commencing at 1 p. m.; that the secretary of the minister of industry had promised uniformed troops to unload the ship in case the non-union labor caused any trouble; that because of the inexperience of the non-union labor, it had been decided to use only land cranes thus, incidentally, obviating the necessity of the crew's assistance in the unloading; and, finally, that the crew has so far caused no trouble and did not show any signs of so doing. It also appeared that a number of maritime police were on board to preserve order should the need for such preservation arise. Mr. Bianchi was advised to notify the consulate general immediately should the crew try in any way to interfere with the unloading by non-union labor.

On the afternoon of the same day (October 23d), the ship's principal delegate is reported to have received the following telegram:

"Disregard Whalen's wire. Vessel must proceed. Contact Longshore Union.

[s] "CURRAN."

At approximately the same time the Montevideo Stevedores' Union received the following telegram:

"Action support *Algic* appreciated but will jeopardize union's position here.

[s] "CURRAN."

Mr. Bianchi then quickly arranged with the local union to commence unloading at 7:00 a. m. the following day, the maritime police on board were at once withdrawn, and the *Collingsworth* sailed for Buenos Aires at 10:30 p. m. that night. There was no further trouble.

Throughout the difficulties, the attitude of the crew was in sharp contrast to that of the crew of the *Algic* which deprived the master of his authority. The crew at no time committed any acts whatsoever of a reprehensible nature.

EXHIBIT No. 14

FROM REPORT OF AMERICAN CONSUL, VANCOUVER, B. C., DATED
JUNE 28, 1935

* * * * *

I am creditably informed that the crew, led by Fireman Thomas Hughes (who is reported to be known on the waterfront of San Francisco as a radical agitator), boasted that upon their return to San Francisco they will, through their union heads, effect both the ruin of the Kingsley Navigation Company in litigation and my separation from the Foreign Service. Their threat of action against me is probably inspired by their irritation over my failure to furnish them with the desired justification for their refusal to follow the instructions of the master of the *Texada*.

(As requested by the committee, quotations are made from older cases. The gist of all cases submitted which are dated in 1929 follows, so that they may be contrasted with those of recent date:)

EXHIBIT 15

DATE, APRIL 3, 1929

* * * * *

G. Watts was brought from the ship's cell and was informed by the master that he had been written into the log-book and was charged with "wilfull disobedience," "assault on master," of having been "abusive in language to the master," of "having been continually under the influence of drugs," of "having been drunk and disorderly," of "stealing aspirin tablets for smoking."

Watts denied all charges and stated that it was "all a frame-up," that he "was ashore when the dishes were broken," that he owned but "never wore the coat" in which were found the packets of drug, that "Richardson wore the coat," that he "never asked anyone to smoke," and that he wished "to get off the ship and, if necessary, be put in jail at Lagos."

* * * * *

Watts was placed in irons on February 19th for a five days' punishment, and the master plans to bring the case before Federal authorities on arrival at Boston.

EXHIBIT 16

DATED DECEMBER 19, 1929

* * * * *

The charges of the master were sustained, but an agreement was reached that the seamen were to be retained in the capacities in which they had been engaged, until the ship returned to New York. For this reason the detailed report of the hearing was not transmitted earlier.

* * * * *

Captain Delaney was called as the first witness. After being duly sworn according to law, he read from the ship's log book the charges against the two seamen, which specified in each case drunkenness and disorderly conduct, bringing intoxicating liquors on board, and destroying ship's property.

EXHIBIT 17

DATED MARCH 2, 1929

The shipping question was, in brief, concerning whether or not the captain of a vessel was authorized to order the purser of his vessel for manual duty in the engine-room at the time the vessel was in port. The consulate general, after examining all of the data that the captain and the purser desired to present, ruled that the captain was not acting within his rights in so ordering the purser. * * *

EXHIBIT 18

DATED NOVEMBER 4, 1929

* * * * *

So far as I could ascertain, the trouble boiled down principally to refusals by the men to do certain jobs, such as washing clothes and painting rooms, assigned them at various times, on the claim that they were not hired for such work.

The four boys are American and West Indian blacks, and are very probably not vicious, but merely ignorant and unwise. They appear to have blustered and threatened a good deal. This attitude was probably augmented by officers' use of threats of strong action for infractions but soft-hearted punishment for them.

* * * * *

I explained to the boys that a master has much power on board ship; that they should obey orders and do their duties well; and that in case of really wrong treatment they have recourse to consuls, the shipping commissioner or courts. The men told me they would be good, and it seems possible that the trouble is finished.

EXHIBIT 19

DATED MARCH 15, 1929

* * * * *

"Re priority: 3rd, Ginsbourg refused to turn to aboard ship this a. m., after having been off duty since 3:00 p. m., 2nd, used profane and disrespectful language to mate after which mate struck him. Stories differ as to language used by Ginsbourg. Ginsbourg has appealed to mate on several occasions for protection from other men aboard the ship who have attempted to fight him; in all cases it has been his own indiscretions that caused the men to wish to fight him. Ginsbourg appealed to the first mate for protection from men who threatened to whip him after he tried to pick a fight with an old man who is a member of the crew. Master of the ship was not asked to interfere this morning after the mate had struck the man. Most members of the crew have no fault to find with the mate. Ginsbourg intends to take matter to Washington. *Edgemoor* due to sail from here for Philippines at 5:00 p. m., today."

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EXECUTIVE SESSION

AMENDING THE MERCHANT MARINE ACT OF 1936

MONDAY, JANUARY 10, 1938

**UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.**

The committee met in executive session at 10 a. m., pursuant to adjournment, in the committee room of the Senate Committee on Commerce in the Capitol, Senator Royal S. Copeland (chairman of the Senate Committee on Commerce presiding.

Present: Senators Copeland, Sheppard, Thomas of Utah, Overton, Maloney, Ellender, Gibson, and Vandenberg.

Present also: Rear Admiral H. C. Hamlet, United States Coast Guard, and John Mann, adviser to the Committee on Commerce.

The CHAIRMAN. May I say for the record that we have with us this morning Captain _____. For the purposes of the record it is unwise for the captain's name to appear. He will tell you why, before he gets through. We will speak of him as "Captain" in the record.

STATEMENT OF CAPTAIN _____

Captain _____. Mr. Chairman, and gentlemen of the committee, my first sea experience began in * * *

(A full page of background and experience is deleted, because it would identify the witness.)

The CHAIRMAN. Proceed.

Captain _____. I wrote a letter to the Maritime Commission last December. However, I did not send this letter for the simple reason that my company felt that if it got into the newspapers it would be bad publicity. Another reason was that Mr. Kennedy was going abroad and I felt that it would be useless. However, my mind is very much disturbed because things are so bad on our ships that I decided to come down here, on my own, at my own expense entirely, and on my own time. My people do not know that I am here. I am doing this on my own hook.

What I am about to say is found in a letter to Mr. Kennedy. I might call it a paper, really, entitled "Safety at Sea Versus Disaster," if you wish. I have changed it a little bit, because I took out the personal part pertaining to Mr. Kennedy. So, if you will permit me, I will just read it as I have it here.

The CHAIRMAN. Proceed.

Captain _____. With the exception of a few isolated instances I have not known owners, whether Government or private, to be un-

fair if the demands of the crew were reasonable and intelligently presented. This is particularly applicable to demands regarding living conditions. I have seen the management accede to crew demands and fit quarters with good equipment only to have it destroyed the very same voyage by drunken crews. It is little wonder that owners are pessimistic in providing good material when I have seen crews turn their quarters into Augean stables; when in their drunken moments they have put their feet through doors merely because they were too lazy to find the keys; when they have thrown good food from the messroom tables at each other; and have taken mess gear and deliberately broken it through sheer vandalism. This condition existed 10 years ago; it exists today. A management cannot be expected to furnish equipment to men too lacking in character to appreciate it. The law requiring the master to keep quarters in proper order has been circumvented by the men themselves. In my endeavor to keep quarters in good condition I have met nothing but obstacles presented by the crews themselves, even to the extent of fining men cash fines, under the guise of ununion activities, for obeying my orders in the matter of upkeep.

Senator THOMAS of Utah. As far as drunkenness is concerned, I suppose that has been true for years?

Captain ———. Yes. Not one member of the crew will lift his hand to keep quarters clean unless forced to do so. This is all a part of the lack of discipline at sea today.

The all important question of discipline would require many pages to analyze adequately. Briefly, however, I will state my views, and the facts that I have personally experienced and observed. These facts speak for themselves. In a general tenor, discipline on our ships has never been what it should be. There seems a curious impression abroad that a mediocre type of discipline is sufficient for a merchant ship. I maintain that it is equally as important to preserve discipline on a merchant vessel as on a naval vessel. A great number of innocent passengers, men, women, and children, look to the officers and crew for their safety when traveling on a merchant ship. A Navy ship has no such obligation. The Navy's ship crews have only one aim and function, all their activities are in one category and directed in similar channels. They have no trusting outsiders depending upon them for safety, protection, and comfort, while on the other hand, the personnel of a merchant vessel must constantly be aware of that trust. Therefore, I say that discipline on a merchant ship ought to be equally as rigid. Yet some of the scenes I have witnessed during the past 10 years are incredible. During the last 2 years I have seen discipline vanish entirely.

The CHAIRMAN. You mean by that, Captain, that while you have seen a lack of discipline for 10 years, it is materially worse now, in the last 2 years?

Captain ———. Very much worse. In fact, it has all gone.

Nor do I look upon this condition as a passing phase; I fear that disorder has firmly entrenched itself upon our ships today. Up to 2 years ago, however, the master and officers had a semblance of authority that enabled them to check violence and insubordination to some degree; today they have practically none. Since the advent of present-day unions and their delegate system on the ships, the captain and officers are powerless. Indeed, orders regarding conduct

and discipline are practically subject to the approval of these delegates. This practice extends even to the point of expecting the master to violate the law for their benefit, and at times to orders pertaining to ship's work.

A strange sense of democracy permeates the psychology of our crews, particularly noticeable in the stewards' department which interprets any innocent pleasantry on the part of a passenger as an invitation to undue familiarity and a license for discourtesy. So far has this condition gone, that today I do not consider any woman, young or old, immune from unwelcome attention. Crews seem unable to realize that they owe a debt to passengers who select their ship in a competitive market and purchase transportation that enables the management to pay the crews their wages, and that passengers have a right to demand courtesy, consideration, and, above all, respect, as a return for money expended and value received. This attitude of the crew is easily understood when one of the recent demands of the union requires that a complaining passenger present the complaint in written form before the offenders and the delegates aboard the ship at the time of the occurrence; in short, go through a trial where the offender is innocent until proven otherwise, thus placing the burden of proof on the passenger. It is obvious what the highly critical American traveling public's reaction to this demand will be.

The officers being practically forced to join the same union as that of the unlicensed personnel, has given the union the power to charge and to try the officers, whenever occasion demands that officers exert their authority, and their exertions do not meet the approval of the crew. No officer can be expected to do his duty if he is faced with the prospect of having the union insist on his removal from the ship. This practice has destroyed all morale and is, in the main, responsible for the following dangerous conditions which I have noted during only a short space of time extending over a few months—:

Senator THOMAS of Utah. Captain, this practice of all officers and crews joining the same union has been going on how long?

Captain ———. I should say, only the last year or so, or 2 years.

Senator THOMAS of Utah. Then that practice has merely increased the disorder and the lack of discipline instead of being the primary cause?

Captain ———. Well, I should say that is correct. It has increased it to such an extent that it might almost be called the cause. The point is that—that if these officers were not in some union, and the unions did not have the power to try them, and we were back where we had authority, we would not be in this condition today.

Senator THOMAS of Utah. They were not in the same union 10 years ago?

Captain ———. They were not in any, that I know of.

The CHAIRMAN. It is a recent practice?

Captain ———. Yes, sir.

Senator THOMAS of Utah. One more question, Captain: Is it the delegate system itself that is the cause of disorder, or is it the personnel who handle the delegate system?

Captain ———. I think in some measure the personnel ashore is responsible for the system, and they inculcate in the delegates the

thought that they can do this, and they tell them to do it. If they did not have those instructions from their union they would not be doing it.

Senator THOMAS of Utah. I can see, in a case of officers and men all belonging to the same union, in the sense that they are all employed by the same owners, it might break down discipline or make it very much more difficult. I cannot see, however, how the delegate system as such, if it were honestly administered, and if the delegate were the right kind of man, and the objectives were proper objectives, the system itself would be the cause of this difficulty.

Captain ———. I thought the same thing at first, when this thing started. But it cannot be done. The minute a man is a little "thin", out he goes. They just demote him and get someone else. I thought, at first, as you did, that it would be fine. I thought that these men would do what was right among themselves, and it would take a load off my shoulders. But it does not. All they do is to try the men who try to do their job right.

Senator THOMAS of Utah. Then the delegate system does not improve self-discipline?

Captain ———. Oh, no; it makes it far worse.

Senator THOMAS of Utah. Do you think that the objectives of the unions and of the delegates themselves are just to ruin American shipping?

Captain ———. Yes. I think they are trying to get control of the ships themselves. That is what I think is the ultimate object. I will go on and explain it to you. I will come to that later.

I have seen lookouts aloft so drunk that we were afraid to remove them from the crow's nest for fear of falling down, or lookouts reading magazines while on duty; men at the wheel so drunk that they have turned the wheel the wrong way in their stupor, thereby endangering other ships as well as their own; elevator boys that trap young girls in the elevators between decks to make advances to them; waiters in the dining room accosting young girls while eating, the presence of their fathers aboard not deterring them in the slightest way; waiters that preach unionism and communism to their passengers at meal-times; waiters that intimidate passengers against being late for meals so that the latter are afraid to partake of a cocktail before dinner; kitchen help that urinate in the main galley during meal hours, with a toilet only 50 feet away; sailors that smoke cigarettes, pipes, and even cigars wherever and whenever they work; sailors that smoke aloft and expectorate below without regard for the passengers, throwing their cigarettes into the wind with our hatches full of cotton.

The CHAIRMAN. You have seen that yourself?

Captain ———. Yes; with my own eyes.

I have seen sailors that expectorate on the mirrors of their washroom merely to watch the saliva run down the mirrors; sailors that are too lazy to flush the toilets after using them; engine-room men that raise their clenched fist in a communistic salute during boat drill, while others boast that "the hammer and sickle will be flying from the staff in a couple of years," crews that want to put their captain on trial because they consider his discipline unnecessary; a master-at-arms (a ship's policeman) while on night watch, becoming drunk and familiar with female passengers on the open deck, entering into arguments with passengers and assaulting them; stewardesses that complain because they are forbidden to attend the movies with the first-class passengers,

others that sit on the deck ladders watching the entertainment for passengers with curlers in their hair; barkeepers that, under the influence of liquor, knock on stateroom doors of refined elderly ladies and request admittance at night; crews that complain of too many boat drills; crews that demand privileges without responsibilities; crews that distribute communistic literature throughout the ship.

All of these things have come to my personal knowledge, and some of them I have seen with my own eyes. I could go on and on with instances of this nature, were opportunity available.

These conditions exist today. Part of the reason for these conditions lies in the lack of adequate laws and proper enforcement of them by the various governmental agencies.

While the conditions just described have not been unknown in the past, they never existed in the same appalling degree before the unions had a voice in the management of ships and the selection of personnel. Any discussion of the lack of needed discipline for safety at sea requires an examination of the caliber of the men going to sea today. That noble figure, the sailorman, is almost gone.

In his place we have men that represent three types. One type can be compared to the gangster. Our ships are infested with thugs, thieves, gamblers, dope runners, drunkards, and racketeers of all descriptions. The second type is the man whose only aim is to cheat the ship out of an honest day's work, whether it be for his safety or not—constantly complaining and demanding overtime pay for almost anything he does. This type is in the majority. The third type is the old type of seaman, be he a sailor, steward, or fireman. It is this pitifully small group which keeps our ships running in any semblance of order at all.

I honestly believe that the majority of the crews today do not go to sea through a desire to follow an ancient and honorable calling, but merely because industry ashore rejects them and because a ship affords a means of transportation to obtain cheap liquor and women. Mind you, there are decent men on our ships, but what decent men there are today on our ships are slowly being driven off by the other types.

The youth of today will not go to sea, not because of the few privations, encountered, but for the reason that he dislikes to come in contact with men whose actions can sometimes be compared only to those of animals instead of human beings. As the youth of today scorns to take to the sea, so those now in command or in authority aboard ship have only one aim—and that is to leave it and be rid of these disgusting and unfair environments. Unfair because, on the one hand, they face severer penalties than formerly for not carrying out the laws; and on the other, receive no help from the very agencies that make the laws.

The safety factor on our ships today is far less than in the days before the *Morro Castle* disaster, which paradoxically is said to have marked a downward point in safety at sea. Safety on ships can never be obtained by the installation of mechanical devices, but can easily be obtained by the institution of adequate laws resulting in proper discipline. One is a cure after illness has set in; the other is a prevention. It is the human element that needs scrutiny and overhauling, not the mechanical. A ship is never safer than the crew that runs her. A crew can only be made efficient under strict discipline, which means

severe punishment for violation of rules, similar to the type of discipline and the code that has made our Navy as efficient as it is today. There, and only there, lies the solution of our safety problem.

The demand of the crew for overtime pay has led to constant bickering, resulting in the inhibition of exercise of judgment and orders at critical times by the master and officers. I quote in demonstration the case of a quartermaster on duty who refused to clean the wheelhouse windows on the bridge on a Sunday unless he was paid overtime. When it was pointed out to him that it was for his own safety as well as for that of the ship, he admitted that fact, but demanded overtime in order to protect himself in case of trial by the ship's soviet or the union hall committee ashore.

This is not a question of rate of pay, but the question is: Is the master of a ship going to be obliged to bicker with his men when the safety of the ship is concerned, or is he as of yore, going to be permitted to order the necessary work done?

Senator THOMAS of Utah. You used the word "soviet." Is that the formal organization at this time?

Captain ———. The three-delegate system represents the engine-room department, the steward's department, and the deck department which is the same as the soviet. There is no difference in my mind, anyway.

In another instance, while I was an officer of a large Atlantic liner, a fire of serious possibilities had to be extinguished by a few officers on a Sunday evening at sea, because the union insists upon the watch on deck remaining below in their quarters on Saturday afternoons and Sundays, which really means that they are asleep. Yet I am charged strictly to maintain a watch on deck at all times when under way.

It should be borne in mind that the sea is relentless. Its dangers are present at those times as well as any other. Disaster has no respect for Saturday afternoons or Sundays. To relax the necessary vigilance for but a moment is to invite this disaster. A ship cannot be treated as an industrial unit or a factory that is able to shut down its operation at will and thus eliminate most of its pertinent dangers. This difference—labor looking at a ship as being comparable to a factory, and the owners and officers looking at a ship as being constantly subject to the dangers of the sea, in no sense comparable to a factory—has been the cause of much chaos in the safe operation of our ships.

With these facts in mind, the charges I have made and the peculiar nature of a seagoing ship, I should like to have this committee consider my proposed solution of the personnel problem. To my mind it is quite simple. One solution offered, and I think it is the best one, is to put the entire merchant marine personnel under a division of the Coast Guard, with enlistment, retirement, and other benefits. This would insure the discipline necessary to the safety of passengers at sea. The training of seamen should also be undertaken by this agency, thus affording the youth of the United States an opportunity, particularly in inland States, to contemplate the sea as a livelihood and not restricting enlistment to those subjected to the questionable influences of the water fronts of our large cities, where our present new blood appears to originate.

If this is not feasible, then there should be enacted at least three most important laws. The first should require an oath of loyalty

to the Constitution of the United States and strict observance of the navigation laws. The second should impose a severe punishment for drunkenness—for a drunken seaman aboard ship should be placed in the same category as a drunken automobile driver. The third should inflict a severe penalty on anyone attempting undue familiarity with passengers, furnishing at the same time a simple and speedy method of trial. The existence of these three laws alone would do much to better conditions on our ships.

The CHAIRMAN. Do you notice more difficulty since the repeal of the eighteenth amendment than there was before?

Captain ———. Yes; I do. Very much so. I will state that later to you, gentlemen.

In conclusion, I wish to state that I am making this statement not only as an alarmed ship master, but also as an outraged citizen. I appeal to you to aid those on whom the law has imposed a heavy responsibility, and to keep our ships safe. If you do not, our merchant marine is doomed, for no industry, whether aided by a government or not, can survive the tactics which I have described. Personally, I would prefer to have our ships withdrawn from the sea, even at the expense of losing my livelihood, than to have them run as they are running now. I am an adherent to the principle that if a thing must be done, it must be done well or not at all.

I should like to add that where I have given specific examples of men's incompetency and disrespect for authority and the taking of unwarranted liberties with passengers I can supply names, times, and places, and I have evidence in a majority of the cases to substantiate all my charges, which evidence I will be very glad to submit if you so desire. As to cases where I do not have substantiating evidence, I can testify that the facts are true of my own knowledge.

So as to impress upon this committee the fact that these charges are capable of substantiation, I have brought with me proof of six typical cases, which are undisputed. I will show them to you gentlemen if you wish to see them. One is the case of a ship's policeman getting drunk and annoying a woman passenger, and assault and battery.

Another one is a paper describing drunkenness. The third is a paper pertaining to the gambling in our ships. The fourth gives various reasons for dismissing men from ships. The fifth is a newspaper that I have brought with me which is published by the union, and it indicates the psychology very nicely. The sixth is a pamphlet which I have which demonstrates the communistic literature.

The CHAIRMAN. Senator Thomas, have you any questions to ask?

Senator THOMAS of Utah. With reference to such men as you have described, do you think that the oath of allegiance to the Constitution of the United States would mean anything to such men?

Captain ———. Would it not eliminate the question of communistic literature? This advocates overthrow of the Government; and certainly if you make a man take an oath that he must observe the navigation laws, that must mean something.

Senator THOMAS of Utah. Do you think that the oath of allegiance would mean anything to them?

Captain ———. It is as far as you can go.

Senator THOMAS of Utah. If they are actually attempting to overthrow the Government, they would take such an oath with a reservation, would they not?

Captain ———. I do not know.

The CHAIRMAN. A mental reservation.

Captain ———. If a person takes an oath it is something that he should regard as sacred. My idea is to get rid of the Communists.

The CHAIRMAN. What is that pamphlet which you have there?

Captain ———. One of my good men picked it up and gave it to me. I cannot reveal his name, because they would kill him.

The CHAIRMAN. Did he indicate that it had been generally distributed?

Captain ———. Yes, of course. They give these pamphlets out to convert them. He brought this one to me and showed it to me.

The CHAIRMAN. You mean, to convert them to communism?

Captain ———. Yes, sir. That is, I think, the object; and if you will read this pamphlet you will see in there that they are advocating the overthrow of the Government—a revolution—and, of course, they want to take the ships over. The author of it is a member of the union, one of the "big shots." If they knew that the boy had given this to me they would kill him; and just as likely as not I am liable to have a bullet in my back if they find out I am down here. But I will take that chance, because something has got to be done or we will have a big disaster some time.

Senator THOMAS of Utah. Is it your conception that ultimately, if the present bill should become a law, the Coast Guard will have retirement privileges, and so on, and it will mean the recruiting of a different type of man, a different sort of individual?

Captain ———. Yes. It would do this: it would bring to the front the boys that want to go to sea, and it would eliminate all this type of men that I have been speaking about.

Senator THOMAS of Utah. Do you think we have the necessary personnel in America?

Captain ———. Oh, certainly; but I think they are more likely to be found in the Middle West. You do not have a chance to get in unless you go to these unions, and if they like your looks you might get in. That means an outsider cannot come in and go to sea at all. But this means that the Coast Guard will take these boys and put them through the proper training and not inculcate into them communism and all that sort of rubbish. They will have the proper ideals. Boys do not want to go to sea out of a nice home and have this sort of thing go on. They get discouraged and leave.

The CHAIRMAN. Why do you suggest the Coast Guard instead of the Navy?

Captain ———. The Navy is too military. Even the Coast Guard, while it is military also, you naturally have a great deal of respect for it. First, it is a little bit removed from the Navy and it has more in common with the merchant service than the Navy has. Not that I am trying to discredit the Navy, but the Navy is a different thing from the merchant service and a naval ship is a different thing from a merchant ship.

The CHAIRMAN. If we built up a great Naval Reserve could men be recruited from that?

Captain ———. I prefer to have it as I have suggested. When a man goes through naval training he is not pliant enough. The merchant marine is a harder task, you might say. Even if you should use the Coast Guard for training, I think you should inject a few merchant officers into the Coast Guard to see that they have

the proper concept. It has to be mixed. The Coast Guard, as I see it, is a nearer thing to our problem than the Navy. The Navy, as you know, has only one end, and that is efficiency in battle, which is something that we do not need in the merchant service. But the Coast Guard has the right spirit. It does a more merchant type of work, like rescues, and one thing or another. I think that is the best agency in which to place this matter. As a matter of fact, I did not really say the Coast Guard; I said, a division of the Coast Guard. My idea is to put it under the Coast Guard, in a separate division. It does not even have to be as military as the Coast Guard.

Senator THOMAS of Utah. Has the Coast Guard now the proper training facilities?

Captain ———. Not quite; no.

Senator THOMAS of Utah. It would have to be expanded?

Captain ———. Yes.

The CHAIRMAN. An officer of the Coast Guard came to see me the other day and outlined what they were prepared to do in the way of revising their curriculum with reference to this particular training; and it is quite interesting to observe that the idea that the captain has put forward is almost like the idea of the officer to whom I refer. He spoke of wide experience in the merchant marine to assist in the training of these men in the Coast Guard. One of the provisions of the bill which is before us, Captain, is a proposal to have the training of sailors in the Coast Guard, as you have suggested.

Senator MALONEY. Captain, I have not the slightest doubt as to the conditions which you have described and the kind of men we have on ships that are contributing most to the chaos; but do you not think that conditions would be greatly improved if the living conditions, the social conditions, and the sanitary conditions on board our merchant ships were improved?

Captain ———. Here is the point, Senator. A ship is not a hotel. There is not enough room. We have improved them, Senator. The fact is they have had it all their own way the last 2 years. We have done everything we could, and things are not any different at all. If we let the men alone they would not lift their little fingers to clean up. In one instance I told a messman to clean up a place, which is his job, and he was fined for painting up a little bit of rust. One man was fined \$4 for telling him how to do it, through my orders, and the other man was fined \$2 for doing it. It was all because I insisted that this little dirty rust spot should be touched up. The reason they were fined was because these men did not go to the delegate, first, to ask his approval.

A man, no matter who he is, should have enough decency to keep his own place clean. But these men will not lift their fingers. They turn in on clean linen with "boots and saddles." All we do is clean quarters. We have I don't know how many messmen to clean up after them; but they will not do it of their own accord.

My idea is to have a law to make every man responsible for the cleanliness of his own place. I make a rigid inspection every morning; and do you know, they have booed me for making an inspection? Why, I don't know. I can't understand their psychology, because it is for their own benefit, as I told them.

The food has been vastly improved. They have had things their own way for the last 2 years. They are given almost anything they like.

Senator MALONEY. Do you think the quarters are suitable and satisfactory?

Captain ———. These ships are old, Senator. Unless you take the ship apart and rebuild it, you cannot do much with it. The quarters might not be so roomy, but you can keep them clean. They are not any different from those on a destroyer. You have bunks three-high there, but the quarters are clean. On a submarine you do not have as much space as on a merchant ship. We give them everything they want.

Senator MALONEY. Do you maintain that that is a general picture of the situation?

Captain ———. Yes, of course. They come in and throw their dirty clothes all over the place, instead of hanging them up——

Senator MALONEY (interposing). Yes; I understand that. But my question is directed to the operators or owners of the ships. I do not question what you say about the men.

Captain ———. I will admit that there are abuses; there is no question about that, because nothing is perfect. But I get tired of trying to keep the place clean and giving them good things and see them ruined. They don't care; that is all. You can do everything to keep the place clean for them, but when you come back 5 minutes later it is the same as it always is.

Senator MALONEY. Do you think there is sufficient incentive on these ships by way of sanitary and social conditions to make it all right for the men if they keep the quarters properly themselves?

Captain ———. Yes; it is up to the men themselves. If they don't keep things clean we can't stand over them every 5 minutes; and neither can the owner. I will give you an instance. On a given ship they were complaining about the stoppers in the washbowls being taken away. We put them in and put nice chains on them so they would not get lost. They just tore the chains out and used them for watch chains. I came down the next day and all the stoppers were gone.

Senator MALONEY. Is the pay generally sufficient?

Captain ———. Yes. It is \$72 a month, and everything "found." That is a good rate of pay for the job of work they do, and as little as they do, with everything "found" and overtime with it. It exceeds the pay of the average man on the street who has to support himself on about \$75 a month.

Senator MALONEY. I have had the feeling that you have expressed here, to some extent, that we could recruit a fine type of young men from such sources as the C. C. C. camps, but I wondered if we were offering them what was proper and sufficient by way of conditions and so forth.

Captain ———. You know, you have to put up with some things on a ship. There is no question about it. If you go back to the time when I went to sea, I went to sea after I left the training ship, on a sailing ship, at \$15 a month, working 4 and 4. You have to make it just a little hard. I mean, you have got to weed out the men, and if a person can't put up with some discomfort he is no good at sea, because the time will come when you are going to suffer at sea, whether you are a captain or a mess boy. If you are not going to put up with something you are not fit for the job. Some of these old ships, of course, were built 30 years ago.

Senator MALONEY. I understand that everything you say here is off the record, excepting for this committee.

The CHAIRMAN. It is off the record so far as his identity is concerned.

Senator MALONEY. Yes. Do you think you get the proper cooperation from the owners and operators of the ships?

Captain ———. I do. They are bending over backwards to give these men what they want.

The CHAIRMAN. I want to follow up that question, if I may. In the current issue of Nation's Business there is a very interesting article entitled "I joined the union to see the sea." It relates the experience of a graduate of one of the colleges here in Washington, a football player and a member of the boxing squad, and so forth. He wanted to enlist as a sailor, and he signed up in both unions. In the paragraph which I am going to read to you it speaks of a man named "Frenchy." Frenchy was a man sent aboard to foment strikes and trouble, the type of man you have mentioned. This article says [reading]:

I hasten to say that I am almost totally unfamiliar with regulations governing American shipping and seamen. However, I cannot escape the conclusion that Federal authorities, ship-owners, and ship officers are alike subject to the apparent power of squabbling unions. Though a ship master at one time was absolute monarch of his domain, today he hesitates to censure a seaman. Almost certainly the union would relay a report to his owners and he would be removed from command on the grounds that he was "temperamentally unfit."

Upon one occasion I heard Frenchy use abusive language to the second officer. Lately I asked the officer why he had not knocked the man down.

"I'd lose my ticket," he replied. "That fellow is a union organizer and is just looking for an excuse to start something. I wouldn't get any sympathy from my owners nor from maritime authorities in Washington."

That follows up the question that Senator Maloney asked you. Do you believe that these officers are cowed?

Captain ———. Oh, absolutely.

The CHAIRMAN. In your own case, if it were known that you had come here as a voluntary witness, what might it mean to you?

Captain ———. They will do one of two things, probably: They will either shoot me some dark night, or else they will sit down on the ship and demand that I get off.

Senator MALONEY. What will the operators do then?

Captain ———. What can they do? They can't hold up the ship for one man.

Senator MALONEY. Will they take you off?

Captain ———. I don't know. Maybe in my case they would not. That is why they asked me to be very careful and not get this in the papers.

Senator VANDENBERG. I am particularly interested in the fact that this officer said he could not get any cooperation from the maritime authorities in Washington. What could the maritime authorities in Washington, under the existing law, do to correct this situation?

Captain ———. As I just said, three laws——

Senator VANDENBERG. No; I mean, under existing laws what could the maritime authorities do?

Captain ———. If a man strikes an officer there is a jail sentence attached to it; but you would have to move heaven and earth to get a conviction. In the *Algic* case they got 2 months. They ought to have got 2 years. Stealing a boat and going off with it is nothing unusual.

The CHAIRMAN. The Maritime Commission did pretty well in the *Algic* case. It sent word to put them in irons.

Captain ———. Yes. That is the first ray of hope, Senator. But there is a provision that if a man strikes an officer he gets 2 years in jail. To my knowledge that has never been done. I have known cases where officers have been struck and have just let it go and said, "What is the use?"

Senator VANDENBERG. This general lack of discipline, as I understand you—and you are certainly a competent witness if there ever was one—in your judgment, does it definitely threaten safety of life at sea?

Captain ———. There is no question about it.

Senator VANDENBERG. Would a report of conditions of that sort made to the authorities in Washington produce any action of any sort?

Captain ———. Well, I do not know the extent of their power.

Senator VANDENBERG. Is there any method for reporting to Washington upon general conditions?

Captain ———. Yes; you can report to the local inspector of the district. He takes action. But, to be frank, I can never get any help there from anybody. Every battle I have had I practically lost.

Senator VANDENBERG. Have you ever complained to the shipping commissioners?

Captain ———. Not recently, because I have given it up. Sometimes they helped me and sometimes they did not.

The CHAIRMAN. Are you familiar with the wireless report which went out, I think, from the *California* to the Government about the set-down strike on that ship?

Captain ———. No; I did not know they had sent a wireless. She was in port, was she not, at the time?

The CHAIRMAN. No. I mean later. After she left port she had some trouble aboard.

Captain ———. No; I am not familiar with that.

The CHAIRMAN. There was a wireless, and papers were made out to arrest these men when they go to New York, but for some reason the papers were not served. You did not hear about that?

Captain ———. If it is the strike at San Pedro I remember it; yes.

The CHAIRMAN. I was only following up your point, Senator Vandenberg.

Senator VANDENBERG. Have these delegates and members of the union on ships ever actually tried the officers of the ship on the ship?

Captain ———. No; I cannot say that in my ships they have, but I think they have on others. They have insisted that they get off. I will read you a letter later, if you wish. They are fine officers and fine men, and have also demanded to know whether we had clearance cards. They want to find out from the officers whether they have clearance cards or not. I put my foot down and say, "You leave us alone up here and stay where you belong." But I know other cases where they have done it.

The CHAIRMAN. Admiral Hamlet, we have some evidence here about charges that officers have been tried on ships, have we not?

Admiral HAMLET. I do not think you could call it evidence, Mr. Chairman. We have statements to that effect, which do not conclusively prove it. But if you ask my opinion, it has been done.

Captain ———. This is the way they do it. They go to their union people and say, "This fellow has got to get off, otherwise we will sit down." I know a case on the West Coast where an officer caught somebody stealing something out of the cargo, and of course he reported him, and the fellow had to get off before he got through.

The CHAIRMAN. The officer had to get off, you mean?

Captain ———. Yes; and the sailors and the stevedores would not work with him because he reported this man stealing cargo.

The CHAIRMAN. Have you seen any of these, Captain? They are supposed to be verbatim copies.

Captain ———. No, sir; I have not seen this type. I have seen others, and I picked up this one and brought it down [handing the chairman a pamphlet].

May I show you these facts that I have with me?

The CHAIRMAN. Yes.

Captain ———. I have a letter from a passenger, and there is a letter from the junior officer who took care of the situation, if anybody would like to read it——

The CHAIRMAN. Suppose you leave those for the record, all of them.

Captain ———. All right.

I have the doctor's report here. It was written after we left ——, and in it you will find six cases of where drunken members of the crew had to go to the doctor for treatment. He writes [reading]:

- , A. B., intoxicated; confined to brig.
- , messman, intoxicated; confined to brig.
- , waiter, laceration, both lips.
- , cook, laceration, eyelid.
- , A. B., laceration, scalp.
- , messman, laceration scalp, slight concussion.

These are only the ones that were fighting. All the other drunks were out of the way, sleeping it off. This is the report from the doctor after we left ——. We were in —— about 6 or 8 hours.

The CHAIRMAN. When you are in —— do they automatically have the right to go ashore?

Captain ———. No; they do not. The statutes distinctly say that liberty is at the discretion of the master. I can stop it any time. But one captain tried it, and they had a sit-down and he finally had to give in and they went ashore. Right now I would not attempt to hold them; I would have a mutiny on my hands.

Senator VANDENBERG. That is just an instance on your ship?

Captain ———. Yes, sir.

Senator VANDENBERG. What happened? Did you discipline them?

Captain ———. Some I did and some I did not.

Senator VANDENBERG. Did you get away with it?

Captain ———. Yes; that discipline doesn't mean anything. Here is a memorandum of one man which was given to me. That is ——, A. B., and the report says that [reading]:

This man while under influence of liquor, as determined by ship's surgeon, tore the coat of a bell-boy, kicked in panel of cadet's room, and generally created a disturbance. He was placed in the brig and fined two days pay.

That means nothing to these men. This man will go right on board the next ship and do probably the same thing. We have no means of knowing whether the man is any good or not, no service record of any kind. The union sends you a man and there he is, and not until

he does something can you get rid of him. You always have to wait until you have some kind of trouble.

Senator VANDENBERG. What kind of trouble? Suppose you got back to ———, and this man had been definitely a hazard all through your trip, and you are going to start out again; do you mean to tell us that if the union sends him down again you have got to take him?

Captain ———. No; I do not have to take him; but it means a battle on my hands when I do not. I have dismissed men off the ship, and they have come right back. You can fire a man and it takes an act of Congress to keep him off, because the union will fight his battle and say he didn't do much, or he didn't do this or that. That is what we are fighting about all the time. We want to get rid of these men and the union sends them right back. In the end you lose out.

(The documents referred to and submitted by the witness are as follows:)

S. S. "———,"
At Sea, November 23, 1937.

Captain ———,
S. S. "———."

DEAR SIR: We the undersigned wish to complain against your master at arms ———:

On account of actions and language unbecoming to a petty officer and gentleman while on duty.

We left the tourist smoke room at 1:30 a. m. this morning for a walk around the deck before going to bed. We noticed the master at arms, ———, in the act of covering up a young lady with four deck chair pads. We stopped to investigate this matter as this lady had been intoxicated during the early part of the evening.

We consider that ——— had been drinking and that they also were in possession of a partly filled bottle of whisky. We asked ——— to call a proper person to see this lady safely to bed, but he became excited and used language unbecoming to an officer and a gentleman. Then we asked for the officer of the watch and ——— called Mr. ———, 3rd officer.

In the presence of Mr. ———, ——— assaulted both Mr. ——— and ———. He also threatened our future safety while on board your vessel.

We regret very much indeed to bring these charges, but we consider it our duty to place the facts of the above incident in your hands so that proper disciplinary action may be taken.

We remain,

Very truly yours,

S. S. "———"
At Sea, November 23rd, 1937.

To: Captain ———.

From: ———, 3rd officer.

Sub: Alleged assault and batter of tourist class passengers, ——— and ———.

Sir: On the morning of November 23rd, 1937, at about 2:15 a. m., I was ordered by Mr. ———, 1st officer, to proceed to tourist deck, where M. A. A. ——— had reported some trouble.

On arriving at the port side of tourist deck, I found three passengers, ———, Mr. ——— and a 3rd man. ——— and Mr. ——— stated that ——— had been annoying a young woman passenger and that they interfered, suspecting rape.

During the above statements, ——— appeared with the young woman. ——— took offense at Mr. ——— statement and struck him. I ordered ——— to report to the bridge, whereupon ——— and Mr. ——— expressed the desire to accompany ——— to the bridge and prefer charges. ——— and I trailed the party, until we reached the ladder from the promenade deck to the portside of the boat deck. Here ——— motioned for me to lead the party. I having the flashlight, believing ——— to have quieted down, proceeded up the ladder. ——— claims ——— struck him on the back while on the ladder. This I did not see, being at the top of the ladder.

On the bridge, ———, Mr. ———, the tourist passengers, and ——— stated their cases to Mr. ———, 1st officer.

When the passengers were escorted from the bridge, ——— was ordered off duty and confined to his room.

Respectfully,

—————, 3rd officer.

Date: 12/4/37.

DOCTOR'S REPORT—SICKNESS

PASSENGERS

CREW

—————, B. R., contusion back; strapped.
 ———, cleaner, bronchitis; strokes mixt.
 ———, messman, impacted cerumen; washed.
 ———, bell capt., otitis media; phenol 7 glycerine.
 ———, A. B., intoxicated; confined to brig.
 ———, messman, intoxicated; confined to brig.
 ———, waiter, laceration both lips; sutured C. & D. Personal combat.
 ———, cook, laceration eye lid; sutured C. & D. Personal combat.
 ———, A. B., laceration scalp; skin clip C. & D. Personal combat.
 ———, messman, laceration scalp, slight concussion; hospitalized, C. & D.
 Routine treatment. Intoxicated.

—————, Ship's Doctor.

VOYAGE #———,
 At sea August 20, 1937.

To Captain ———,
 S. S. ———.

DEAR SIR: Please be so kindly and have gambling, which will find place on the port-side-square, foreward after pay off stopped at 11.00 p. m. so the cooks will have a chance to have the nights rest, as we know otherwise, the gambling will go all night through with a lot of noises.

Always respectfully,

(Eight signatures.)

S. S. ———, VOYAGE ———,
 December 6th, 1937.

Captain ———
 S. S. ———

SIR: The following is a memorandum of men who should not be reemployed aboard this vessel and reasons therefore:

—————, A. B., Article Number —. This man while under influence of liquor, as determined by ship's surgeon, tore the coat of a bell boy, kicked in panel of cadet's room, and generally created a disturbance. He was placed in the brig and fined 2 days' pay.

—————, Q. M., Article Number —. This man left his watch without permission at ——— and failed to turn to for his night watch at ———, for which he was fined 2 days' pay. He claims he was not called, although Q. M.s ——— and ——— both insisted he was.

—————, A. B., Article Number —. This man smoked aloft on foremast, throwing butt from mast, and also expectorated from aloft while passengers were in swimming pool deck below. Witnessed by Captain ———. When chief officer spoke to him about it, his reply was, "Butt was already up there, and I knocked it off with my paint brush."

—————, M. A. A, Article Number —. This man, while on watch, had an altercation with two tourist passengers and according to passengers and junior officer, who witnessed it, had struck passengers. Disrated to A. B.

—————, bosn. mat, Article Number —. This man assaulted ———, A. B., this voyage and it has come to my attention, that this is not the first such offense.

—————, messman, Article Number —. Failed to work mess, leaving ———, under influence of liquor as determined by ship's surgeon. Placed in brig, fined 2 days' pay.

_____, A. B., Article Number _____. Failed to see vessel on port bow, until captain and chief officer had seen it for 20 minutes.

Respectfully,

_____, Chief Officer.

S. S. _____,
September 13, 1937.

From: Captain _____.

To: Mr. _____.

Subject: Voyage report No. _____.

Union activities: The union activities of the crew are amazing. Some of their demands might be considered ludicrous if they were not serious problems.

Many union meetings are held, some departmental, some joint. It is my opinion that these meetings are designed to keep things in a militant state. All of them have a definite trend toward communism. This can readily be seen when some of their demands are weighed. At the first joint meeting it is a fact that a sailor proposed that the captain should be put on trial for the reason that he was putting a number of unnecessary rules of discipline in effect. What became of this motion I cannot say. Nothing came to me in this respect. Another demand was that the crew should use the boat deck for recreation, the deck space forward being too small. I countered this by stating this was passenger space. Then there was a motion to examine the officers to ascertain whether they had clearance cards from the strike. This we declined to answer. Then there was a complaint of not being allowed to see the movies. I think this came from some of the stewardesses. A demand was made to show movies in the tourist for the crew at sea. Naturally this is not possible, however, it may be feasible to show movies in _____ for the crew, steps in this direction have been taken.

While passing through _____ breakwater I removed a man from the wheel because I considered him unsafe to steer the ship. This man inquired from his delegate if I had a right to do this.

On the _____ voyage I received a letter from a certain portion of the crew asking me to stop the gambling at 11 p. m., as it was keeping them awake all night. Investigation showed that the permissible card playing had degenerated into shooting craps against the forward swimming pool bulkhead all night. I believe the steward's delegate was among them. Now in order to stop this, the crew were not paid off the night before arrival at _____, but only after the ship docked. This caused a great deal of resentment with threats of a sit-down. I pointed out, however, that nothing compelled me to pay them at sea, and further I was not in a position to foster gambling. The next day I received two petitions—one wanting to know why the custom of paying off had been altered, and the second demanding the letter the certain group, asking for protection, had sent to me. This of course I refused saying it was a document addressed to me, and therefore my property. Nothing more came of this although there was much resentment against this. I feel sure the purpose behind the second request was only to harm these men bodily. There were other demands, some of union character to which I agreed and that had some reason to them.

Now, I shall relate an example which to my mind is the crux of all our troubles, that of discipline.

Arriving at _____, a sailor on watch told the bo'sun that he did not work in port and went ashore without permission. The bo'sun reported this to chief officer _____. The sailor was brought before me next day and duly logged. After leaving _____, at one of their meetings it was proposed and carried, that the bo'sun had acted in an ununion manner by reporting this sailor to the chief officer first, and not to the delegates, and the bo'sun being found guilty of this offense was duly fined—I believe the sum to be \$5.00.

This expresses very clearly what is ruining the morale and discipline on the ship. It is very obvious that no man in authority will ever care to exert it when he feels he will be charged and tried for doing so. This principle applies to higher ranks than the bo'sun. It has its greatest effect in the steward's department. I feel the men in charge of it are powerless in face of such tactics, and could not be blamed for failure to enforce discipline when they are apt to be tried and voted out of the union and his berth, should he do so. This is to my mind a most vicious and ruinous practice, yet it exists.

Slowly but surely we face the unpleasant fact of the crew running the ship and the officers powerless. Unless we are prepared to take a strong stand against this now, I am of the belief that the crew will reduce me to the status of a puppet, and it is a belief that I have but slender reason to distrust.

Respectfully,

The CHAIRMAN. In the July 16, 1937, issue of *The Pilot* is a report of a meeting by the recording secretary of one of the unions on one of the ships, which reads as follows [reading]:

A joint meeting of the crew of the *S. S. Dillwyn* was held at sea July 3. It was voted that crew inform the captain that they insist on hiring of men through the N. M. U. hall. The delegate spoke to the captain and he stated that all hiring was done through the port captain and he has already been insisting on rank and file men but has not always had them sent. The crew will refuse to sail with other than N. M. U. men in all departments after return to Philadelphia and action will be forthcoming in a hurry.

Is that what happens? Do you have to take those men from the hiring halls now?

Captain ———. Oh, yes; absolutely.

The CHAIRMAN. And this means the members of the National Maritime Union?

Captain ———. Yes; absolutely.

The CHAIRMAN. Go ahead.

Captain ———. Speaking about lookouts, Senator, you know the law is very strict with reference to lookouts. This report of the chief officer says that [reading]:

———, A. B., failed to see vessel on port bow until captain and the chief officer had seen it for twenty minutes.

I fired that man.

The CHAIRMAN. Why did he not see it?

Captain ———. He was probably reading a magazine. The point is this: As far as the lookout is concerned, I don't even think they are up there. They are up there only because the law says they have to be, but they are no use at all. One reason is that the union insists that the lookout must have his protection. What did they do with the protection? I do not object to a protection if they have an opportunity to see, if they can see around it; but the lookout gets it all the way up, but he opens one side, on the lee side, and tries to look around and see, something like that [illustrating], and there may be a ship in distress on the other side, and if I did not see it he would never see it. If that ship reported me they would suspend my license.

The CHAIRMAN. Is that sort of experience recent? Has that been within the last year or so?

Captain ———. Yes; it is much worse lately, because they have the attitude that it doesn't make any difference what I do.

The CHAIRMAN. Did you have any experience like that 5 years ago?

Captain ———. No; nothing like this. When we had a lookout up there we could "call him down" and tell him.

I will tell you what one said to me. We were making a little island, and I said to the lookout, "Why didn't you see that island? My God. It is 3 miles long and so high."

He said, "I don't report anything I don't see."

That was his answer, and of course that is obvious; but that was the answer I got from this lookout.

I have also a letter from the cook's outfit on the ship with reference to gambling [reading]:

Please be so kindly and have gambling, which will find place on the port-side-square, foreward after pay-off stopped at 11 00 p. m., so the cooks will have a chance to have the nights rest, as we know otherwise the gambling will go all night trough with a lot of noises.

That is signed by eight names.

The CHAIRMAN. The members of the crew sent that to you?

Captain ———. Yes. They have these big crap games down below. They say it is card playing. If they want to enjoy themselves, let them play cards or even gamble; but it goes on all night, and nobody can sleep, and the first thing you know you have a knife fight by someone that has not paid his debt, and there is blood flowing around. To stop this sort of thing I did not pay off at all during the night; I paid them off the next day, which is the advance you give them when they get to port.

They wanted to know why I stopped the pay. They wanted this letter; they wanted to know who had reported them. The writers of the letter asked for protection, so they probably beat them up. These men wanted to know why I changed it, and of course I told them I was not in position to foster gambling; that was not my duty. It was my duty to stop it.

The CHAIRMAN. Captain, your conclusion is that there is practically no discipline left on the sea?

Captain ———. None at all. Everything you want to do means a battle.

The CHAIRMAN. We are very much obliged to you, Captain. You are leaving those papers with us?

Captain ———. Yes.

Senator THOMAS of Utah. Has discipline broken down among the officers also?

Captain ———. Yes; they feel that there is no use any more. That is about it.

Senator THOMAS of Utah. Do they show disrespect to their superiors, too?

Captain ———. No; I would not say that. It depends pretty much on the individual. No; they are not as bad as the crews. I would not say that. But some are going with the men, you see. Some have gone just the other way. They go against the ship and join the "rank and file." They are more or less intimidated. On a small ship you can do that; on a big one you cannot so easily; you are more removed.

Senator THOMAS of Utah. Captain, you have shown a lot of courage to come here.

Captain ———. I felt that I had to do something; otherwise you are going to "go under."

Senator VANDENBERG. I want to back up the captain as far as I am concerned for his courage and candor.

Captain ———. If you can keep it out of the press, I will be much obliged.

The CHAIRMAN. We will attempt to safeguard your personal safety as far as we can. I know how you feel, because I am in somewhat the same position myself. They cannot exactly "fire" me from my ship, but they can keep me from being a member of the Senate.

(The witness withdrew from the committee table.)

STATEMENT OF COMMANDER H. L. VICKERY, UNITED STATES NAVY, ASSISTANT TO COMMISSIONER LAND, MARITIME COMMISSION

The CHAIRMAN. We have been anxious to have brought to us such testimony as is available showing what efforts are being made to improve living conditions on ships. Is that right, Senator Maloney?

Senator MALONEY. Yes. I would like to know what living conditions are on the ships.

The CHAIRMAN. Suppose you proceed, then, Senator Maloney, so that the commander may go forward accordingly.

Senator MALONEY. I will tell him what prompted my question.

The CHAIRMAN. All right.

Senator MALONEY. We have been hearing testimony as to conditions among the men, violations of the law, and disrespect for officers and for authority, and so far as the testimony is concerned it has seemed to me that most of the blame was placed on the union organizations. I had heard that the Maritime Commission or other governmental authority had made a pretty careful study of living and social conditions on board ships, and I would like to know, and I am sure that the committee would like to know, to what extent those conditions contribute to the chaotic situation that exists, whether or not the conditions are as bad as I have sometimes heard they were, and to what extent an effort is being made to improve those conditions.

The CHAIRMAN. What is your particular work in the Maritime Commission?

Commander VICKERY. I am assistant to Commissioner Land, in charge of design and construction work and general technical duties of the Maritime Commission.

The CHAIRMAN. And you are in position to give an answer to the question asked by Senator Maloney?

Commander VICKERY. Yes; that work has been done under my jurisdiction.

The CHAIRMAN. Proceed.

Commander VICKERY. The Maritime Commission last June faced the problem of defining what hazardous working conditions were. We had heard complaints, and we decided to make arrangements to survey each additional ship, that is, either Government-subsidized or ships on which the Government holds a mortgage. We wanted to see what the conditions on these ships actually were and what improvements were necessary to be made and how much such improvements would cost, and to establish certain standards to which we thought the crews' living conditions should be brought up, on all ships and all future ships, and make certain provisions for the standard type of fittings that we thought ought to go in.

We found that the Standard Oil Co. was ahead of us in doing this work and had surveyed all their space, and we borrowed from them a very complete report of what they had done on board ships.

We studied Senate bill 2580 which makes certain provisions for crew quarters.

We found that the British Board of Trade was also examining the problem to see what could be done, and we got their report from our representatives abroad and decided to create a committee which would

go aboard each one of these ships and survey it and make detailed sketches of what should be done.

We took one of our own captains, the man who had made the survey for the Standard Oil Co., and we also borrowed a man from the United Fruit Co. which have exceptionally good living conditions on board their ships.

We brought the committee down to Washington and we all discussed what we thought were reasonable conditions, compared them with the conditions in Senate bill 2580, and then we sent the committee off to start on one ship. They made a complete survey of the first ship and brought down their recommendations to Washington. Then we went over the report that the committee had made on that ship and discussed each particular point, deciding what should be done and what was not necessary. Then we sent the committee back to go over all of the ships. We have inspected ships that represent 216 ships; that is, where there are many in one class; and that includes the 36 ships owned by the Maritime Commission and operated under chartered lines.

As we got along on this a little further we decided that we would get out a standard form giving general instructions to all of the ship-owners as to what we had found would be advisable on these ships, and I have brought some of those letters, showing the result of our committee's work. I thought you might like them, because they cover the ideas that the Commission has on standard reasonable working conditions. They were submitted to the Commission and approved by the Commission, and I will leave them with the Senator if you would like to have them.

The CHAIRMAN. All right. I noticed, Commander, that you said something about what the British had done. Have you gone over those Board of Trade instructions?

Commander VICKERY. Yes, sir.

The CHAIRMAN. They are very interesting, and at the proper time I am going to insert in the record what the British did in this connection.

Commander VICKERY. Do you have a copy of the British Board of Trade regulations, Senator?

The CHAIRMAN. No; I have not.

Commander VICKERY. This [exhibiting] is a copy of the report of the British Board of Trade [handing a document to the chairman].

The CHAIRMAN. I have a summary of it from Lloyd's list.

Commander VICKERY. This is a complete copy.

It will be interesting to see just what it meant to do some of these alterations that we required on board ship, and I have brought with me an estimate of the cost of doing these alterations. For instance, on the Black Diamond Line the total cost of making the changes was \$4,000, on one ship. On another it was \$7,600.

Another line ran from \$6,500 down to \$1,400.

The American South African Co. ran \$3,200 to \$4,600.

The ships that ran the highest were ships of the United States Lines. The *George Washington* and *Manhattan* ran \$10,000. The *President Roosevelt* and *President Harding* stood around \$18,000.

The Dollar ships ran up to \$23,000. The *Hoover* and the *Coolidge*, \$14,000. This is necessitated in some cases by the rearrangement of space where the crew has been enlarged.

The CHAIRMAN. I observe that the general recommendations followed the recommendations of our committee here?

Commander VICKERY. Yes, sir; that is correct.

The CHAIRMAN. When you speak of the cost on a particular ship, does that mean that with that money expended they would actually meet the recommendations which are included in this summary?

Commander VICKERY. Practically all of them, as far as reasonable. We have a detailed report on each particular ship, and on existing ships it is sometimes difficult to get by. For instance, we have a definite size of locker that we have adopted as a standard locker. Where ships already have lockers near those standards, we accept them.

The CHAIRMAN. You use the rule of common sense?

Commander VICKERY. Yes, sir. In an existing ship it is more difficult to put all of the regulations into effect than on new ships.

The CHAIRMAN. How far along are you now?

Commander VICKERY. We have completed the surveys on all the subsidized and all the mortgaged ships and our own ships, all that the Maritime Commission has jurisdiction. We are checking up as to how far the work has actually been done on these ships. All of the Government-owned ships, which are 36 in number, have been completed. There are several others that have been completed, but we have not the complete list.

Senator MALONEY. I am very much interested in what is proposed to be done and what the standard should be; but we are confronted with a serious and, seemingly, almost impossible task of correcting conditions in the maritime field. We are told that the conditions came about as a result of disorderly unions, perhaps. I would like to know what conditions were found on board these ships, whether the men were compelled to sleep without ventilation, whether their quarters were crowded and insufficient in every direction, whether or not the men had proper food, whether or not there were any social opportunities for the men on board, such as reading and radio, or whether they all lived as serfs live.

Commander VICKERY. If you will let me read one or two of these reports, I think they will give you the information which you seek. Have you any particular line in mind?

Senator MALONEY. No. What I am trying to find out is whether or not this survey that you have prepared might be expected to bring about some correction of the conditions among the men. I would like to know to what extent the ship conditions caused this trouble.

Commander VICKERY. This memorandum relates to the steamship *Executive*, of the American Export Line. I have just picked it at random. The S. S. *Executive* of the American Export Line, was built in August 1920, as a freighter, at Hog Island, by the American International Shipbuilding Corporation. Length, 390 feet B. P.; beam, 54 feet; gross tonnage, 5,109.

She carries 12 passengers and a crew of about 37 men. [Reading:]

The original deck officers' quarters in forward amidship house on bridge deck have been converted into passenger accommodations for 12 persons, and the officers have been moved into port side of after amidship house.

The licensed and unlicensed personnel are now berthed as shown on plan.

While the accommodations generally are fairly well arranged and provide ample floor area, it should be noted that the removal of deck officers from original quarters tends to mix further, rather than segregate, the licensed and unlicensed

personnel. This, in our opinion, especially under existing labor conditions, is not conducive to the welfare, morale, and discipline of the crew as a whole.

The crew mess room is very well arranged and fitted with three four-seat tables and one three-seat table, an electric refrigerator, sink, dish racks, coffee urns, and fans. It is also used as a recreation room.

The quarters are ventilated by a mushroom vent in the deck over each space.

The floor in the deck officers' toilet and in the sailors' and firemen's toilet is not tiled.

During inspection it was noted that boiler casing in alleyway was very hot and not insulated.

RECOMMENDATIONS

Bathrooms and toilets (crew).—One additional wash basin should be fitted in firemen's bathrooms and two additional basins should be fitted in seamen's bathrooms.

One urinal should be fitted in each space.

Sheet-metal bulkheads of shower stalls are corroded through and dangerous. They should be repaired or renewed.

Missing toilet seats should be replaced.

Bathrooms and toilets should be scaled and painted.

As the spaces are small, their general appearance could be greatly improved at a comparatively small cost by tiling floors. This should also be done in the deck officers' bathroom.

Soap receptacles should be fitted in showers and in way of basins.

The CHAIRMAN. All of these things indicate that there were defects that needed to be overcome?

Commander VICKERY. Yes, sir. [Reading further:]

ROOM EQUIPMENT

Berth lights.—The existing berth lights in the after quarters are more or less makeshift. It is recommended that a 15-watt shaded light be permanently installed in way of each berth and controlled by individual switch on the fixture.

Lockers.—The existing lockers are too small to hang clothes. It is recommended that a 12" by 21" x 72" locker for each person be installed.

Mattresses. When replacements are necessary, consideration should be given to a better grade of mattress. U. S. Navy specification No 27-M-8a is suggested as suitable for use of crew.

Mirrors.—Each room should be fitted with a 12" x 16" mirror with brush and comb racks.

Similar mirrors should be fitted over wash basins in bathrooms.

Tables.—Each room should be fitted with a portable or drop leaf table.

Benches.—Where space permits, a fixed slatted settee should be fitted in each room in lieu of existing portable benches.

Fans. A 12" oscillating fan should be fitted in rooms not so equipped, and two 12" fans fitted in mess rooms.

Wind scoops.—Wind scoops should be replaced where missing, providing at least one scoop per room.

Screens.—Port screens should be replaced where missing.

Lifelines. Slatted storage racks should be fitted overhead for stowage of life belts.

Other equipment. Stowage racks should be fitted for port screens and wind scoops. Hat and coat hook should be fitted for each person in each living room and for each fixture in bathrooms.

INSULATION

It is recommended that ship's side in living quarters be covered with sprayed asbestos with protective finish, or sheathed.

Boiler casing in way of alleyways should be insulated on the inside with at least 1" of slab asbestos or other suitable insulating material.

VENTILATION

It is recommended that a 15" exhaust vent be fitted at forward end of port and starboard alleyway.

An exhaust blower should be fitted in each of the toilets under poop to discharge through goosenecks on poop deck and should be of sufficient capacity to give

twenty air changes per hour. Louvers should be fitted to bottom panel of each bathroom door.

Louvers should be fitted in bottom panel of doors to bathrooms in midship house.

The CHAIRMAN. There is a good deal of detail there; but can you tell us about some of the "rotten" ships, where the conditions were terrible, where the men would have unquestionably a just ground for complaint?

Commander VICKERY. Senator, I do not believe that we have found a ship that was so bad that I would call it "rotten." I inspected a number of the ships personally. The present thought is not to berth as many men in the space as was formerly the practice. There has not been sufficient thought put on the rearrangement of the quarters. But they have not been such conditions as would merit the term "terrible living conditions" on board ship. Take the Navy ships. The Government berths far more men in a compartment than any merchant ship berths in one compartment. That is not a requisite of sanitation. The quarters can be kept clean whether you berth 4 men or whether you berth 20 men in the space. Personally, I believe in a smaller number in a space. But the cost of the rearrangement on these ships shows that the conditions were not terrible on those ships. As I say, the highest cost on any was \$23,000, which is necessitated by rearranging the quarters and taking out rooms in one place and building new rooms in another, giving a better distribution of the crew.

On some of the ships that I inspected there were things that, while they were not terrible, I did not think should go along. For instance, there are washing compartments with toilets in the same compartments, with no surrounding bulkheads around the toilet and no doors. That does not lead to privacy. I saw that on one ship.

The CHAIRMAN. How do our conditions as they were compare with those of foreign ships?

Commander VICKERY. There is a much higher percentage of new ships, and thought has changed considerably in the last 20 years. On the new ships the new arrangements are better than our arrangements, because 20 years ago everybody berthed the crew forward, down in the forecastle ahead. Today we put them in the house amidships to get them up above the weather decks if possible. For that reason it is difficult to get an improved arrangement on the older ship. But the conditions on board are not any worse then they are in any of the other ships of foreign nations.

The first ships that I ever saw that were divided into small rooms with four in a room were some Russian ships that were being constructed in Germany. They had only four people in a room. That was the first time I had ever seen that done. That was done for political reasons, I believe.

Senator GIBSON. You are recommending the berthing of four?

Commander VICKERY. Three is better. I would divide them by watches, so that when you wake a room you only wake the watch.

Senator GIBSON. I have been shown sleeping quarters on the *Washington* where there were 30.

Commander VICKERY. That is correct. On the ships of the *Virginia* and *California* class there are 27 in a room. But they are rearranging those quarters to break them up. In the stewards' department on the large passenger ships it is most difficult because there are so many—such a large number of stewards. The contem-

plated law I believe provides for six in a room on large passenger ships. On the new design for the new United States liner we are conforming with the proposed law, and it is very difficult to get it all in on large ships, but I believe we can do it.

The present law contemplates 20 square feet of superficial area per man. That is the minimum. I believe that 30 feet is a better figure, and when we can get 40 we get 40. On the new cargo vessel that is being designed we get 40 square feet to the man. There has been some thought of trying to use a hinged bunk so we hinge the bunks up in order to get more space and give the men more room in the space. I have talked that over with labor unions and they are not entirely sold on the idea.

The CHAIRMAN. You mean, similar to the berths on a Pullman car?

Commander VICKERY. Yes, sir.

The CHAIRMAN. The law has certain provisions as to food. Have you had any occasion to look into the food situation?

Commander VICKERY. That does not come under my supervision. I know that it was looked into by the Commission and was inspected by Commissioner Woodward and people from the Labor Department, Mr. Ring and Mr. King. They went around and inspected and sampled the food on various ships.

The CHAIRMAN. Senator Maloney, will you follow up the questioning?

Senator MALONEY. I do not think I have any other questions, Mr. Chairman.

The CHAIRMAN. Let us get a full record on the matter. You will find the law very definitely sets forth the food and the menus. Admiral Hamlet's committee has gone over it, and under the new law they will have better food, I assume.

Commander VICKERY. Mr. Ring has just called to my attention the fact that the Norwegian Government has put out new regulations on board ships, and the Commission is analyzing them to find out just what they mean by the standards.

Senator GIBSON. I think you will agree that satisfied personnel is a necessary prerequisite in the building up of our merchant marine?

Commander VICKERY. I agree thoroughly with you. When we take away from them any ground of complaint, so that there is no complaint about conditions in which they have to live, then I believe the problem is entirely a personnel matter after that.

Senator GIBSON. And you feel that your recommendations thoroughly take care of the situation?

Commander VICKERY. Yes; I think they do.

The CHAIRMAN. I think there is a very pertinent statement in the report of the Merchant Shipping Advisory Committee in the Board of Trade Instructions, of England. Naturally the new instructions will result in the provision of a much better class of accommodation, in particular in new ships designed by the mutual cooperation of officers and crews. The statement says [reading]:

In our opinion it cannot be too strongly emphasized that the master should make it his business, and should receive express instructions to that effect from his owners, to take a personal interest in all questions relating to the accommodation of his crew and should make a regular and frequent inspection of the crew's quarters.

That is required under our laws, and we have heard this morning from the witnesses how difficult it is to get efficient results from these inspections.

Commander VICKERY. I have some prints of our new arrangement of the crew's quarters in our new cargo vessel which I will submit if you care to have them. They show the layout of the crew's quarters and the officers' quarters.

The CHAIRMAN. We read in the papers that we are going to have a great merchant fleet.

Commander VICKERY. I hope so, sir. I think conditions have reached the farthest swing of the pendulum, and I think the *Algic* case was a case in point, and they are looking into things that should be done.

The CHAIRMAN. Admiral Hamlet points out the proposed new scale of foods. He was good enough to talk to me about that. I might know something about it, but not much.

Now, Commander, all the time we are hearing criticisms that the sailors are treated like dogs and that they live like animals. Is there any foundation for that?

Commander VICKERY. I think that their living conditions on board ship are not like dogs' quarters. The truth is that the men themselves will not clean and keep their quarters in shape. A man should take a certain amount of personal pride in his own quarters. There has been a lot of complaint that I have heard among operators, as they come through the Commission, about various things. They have complained that when they put good gear and high-class stuff on board ship the men have not appreciated it. That is not a true statement as to all crews. There are crews with whom they do not have any difficulty; and I do not think they live like dogs. The conditions on the Standard Oil ships are quite luxurious, and the conditions under which the men live are far better than the conditions that I had when I first went to sea as an officer. They are not as crowded as my room was and not as crowded as many of the modern ships coming out. They have far more room per man on merchant ships today than on our warships, and much better conditions than I had when I first went to sea, on some of the older ships; but I never considered that I was living like a dog.

The CHAIRMAN. Do you have any occasion to know anything about the living quarters on nonsubsidized ships?

Commander VICKERY. No, sir; I do not, except the Standard Oil ships and the oil tankers. We have been interested in tankers recently, so I have inspected quite a lot of them. The Commission sold a number of ships to be made into colliers for the domestic trade, recently, from the laid-up fleet, and we specified in the contract of sale that a rearrangement of the quarters would have to be made satisfactory to the Maritime Commission, so that we would hold jurisdiction over them. We have had plans sent to us and we have gone over them and made them meet the standards which we have set up for ships which are subsidized. Their quarters are very satisfactory. The Mystic Steamship Co. is one of them. Those quarters are kept in the same condition and are built to the same specifications that we are insisting upon.

Those conditions are not bad. I know that the living conditions in the proposed new Savannah Line boats will meet the new standards

that you have set up, but I do not have much occasion to go aboard ships over which we do not have any jurisdiction.

The CHAIRMAN. Have you anything more, Senator Maloney?

Senator MALONEY. No, sir.

Mr. VICKERY. I would be glad to submit the standards which we are setting for lockers and bunks.

Senator MALONEY. You do not have a report there which shows what conditions you found on board ship?

Mr. VICKERY. Each individual ship has a report. That is the one I was reading to you.

Senator MALONEY. Perhaps I do not make myself clear enough. Do you have any different type of report aside from the report which you have read?

Mr. VICKERY. Yes.

Senator MALONEY. Do you have a report showing the conditions just as you found them?

Mr. VICKERY. No, sir. The only thing we have is this report, and this particular report doesn't state that, but the reports on these studies usually state, for example, that the washing facilities are adequate.

The CHAIRMAN. By implication I suppose we may assume that where those various new facilities were ordered, the order was given because such facilities did not exist?

Mr. VICKERY. That is correct; yes, sir.

The CHAIRMAN. In order to bring up the equipment to the standard, it was necessary to make installations as you recommended them?

Mr. VICKERY. That is correct; yes, sir.

Senator VANDENBERG. Do you have any contacts or negotiations with these maritime labor unions in connection with the fixing of these standards?

Mr. VICKERY. No, sir; we do not. We had all these hearings with the Commission, held last summer, and we went over those reports very carefully, and the delegates from the unions came down and talked with us. We gave them the plans of what we were proposing to do on our new ships, and so forth, and they looked over all those plans and had no complaints.

Senator GIBSON. Did they express satisfaction?

Mr. VICKERY. Yes, sir.

Senator MALONEY. You stated you had a hearing?

Mr. VICKERY. Hearings were had on working conditions, crew quarters, food, and so forth, last summer.

Senator MALONEY. Did you have seamen or their representatives testify as to what the conditions were?

Mr. VICKERY. Yes.

Senator MALONEY. Have those hearings been printed?

Mr. VICKERY. Yes, sir—in typewritten form, at least.

Senator VANDENBERG. So, you would say that if the recommendations you have made are accepted by the ship operators, so far as complaints about living conditions and food are concerned, the union would be satisfied?

Mr. VICKERY. I think that is correct; yes, sir.

The CHAIRMAN. We understand that the changes which you recited in this list of changes are actually in process.

Senator ELLENDER. You cited the Standard Oil ships as an example of what is being done in the way of luxuriousness, and so forth. Those ships are engaged primarily in the carrying of oil, are they not?

Mr. VICKERY. Yes.

Senator ELLENDER. The crews of those ships are much smaller than in the ships carrying other freight?

Mr. VICKERY. No, sir.

Senator ELLENDER. On ships of that type is not more space allowed per man?

Mr. VICKERY. That is correct.

Senator ELLENDER. On the other ships that handle freight, and so forth, are there the same facilities? Or is it possible to give the same facilities as there are on these oil tankers?

Mr. VICKERY. In our new design we have given about the same space. The Standard Oil ships work out, on the original space, about 40 square feet to the man.

Senator ELLENDER. With reference to the complaints you heard against, let us say, the merchant ships carrying freight other than oil, what conditions do you find in them in comparison with the oil ships?

Mr. VICKERY. They were not as good.

Senator ELLENDER. So, the type of freight that is carried and the business in which the ships are engaged have something to do with it?

Mr. VICKERY. Yes. Of course, where you have the space and can put in a toilet, there is no reason why you cannot put in on a freighter as good a toilet as you can in an oil tanker. When an installation is put in, it should be of the same standard.

Senator ELLENDER. Is there not more space usually in a tanker than there is in a merchant ship?

Mr. VICKERY. That is correct.

Senator ELLENDER. That is why the facilities are better?

Mr. VICKERY. That is why there is more space allowed for facilities, but that is no reason why the installation should be better.

Senator ELLENDER. Your chief complaints have been primarily about ships engaged in the carrying of oil and other heavy cargo of that kind?

Mr. VICKERY. That is correct.

The CHAIRMAN. The witness has presented us with a résumé of recommendations which were set forth by Admiral Rock in the report of the Department of Commerce.

We shall also include in the record Lloyd's list of crew space in British ships, together with the editorial.

(The matter referred to is to be inserted in the record at this point.)

UNITED STATES MARITIME COMMISSION COMMITTEE ON QUARTERS AND WORKING CONDITIONS

GENERAL RECOMMENDATIONS

The following general recommendations are submitted for the guidance of owners or operators of subsidized vessels in rearranging or refitting crew accommodations:

1. *Space per man* Proposed legislation requires 20 square feet of floor area per man. In rearranging space, however, it will be readily understood that in rooms for four men or less, the amount of equipment is the best practical measure of the necessary floor area.

It should be emphasized that 20 square feet per man is regarded only as a minimum. Wherever practicable, considerably more space is desirable.

2. *Men per room.*—Proposed legislation requires a maximum berthing of 4 men per room on new ships, with the exception of the larger passenger vessels, on which the maximum berthing of stewards and waiters is 10 men per room.

These requirements are to be applied to old ships "so far as is practicable and reasonable."

In average freighters, it will be found that three berth rooms are the most suitable for unlicensed men of both deck and engine personnel.

3. *Separation of watches.*—In arranging space, particular attention should be given to separating watches, as far as practicable. This is required by proposed legislation.

"Forecastles" should be eliminated, where practicable, by installing division bulkheads or by rearranging available space.

4. *Separation of personnel.*—It is desirable that quarters for licensed officers should be distinctly separated from the quarters of unlicensed personnel.

Deck officers should be quartered as near the bridge as practicable and the practice of moving officers from this location to accommodate passengers should be discouraged.

Quarters for radio operators, junior deck officers, junior engineers, refrigerating engineers, and cadets, should also be separated from the crew's quarters as far as practicable. On the larger passenger ships, it is advisable to provide separate quarters, messrooms, and bathing facilities for petty officers.

As far as practicable, deck, engine, and steward's department personnel should be grouped and accommodated separately.

5. *Ventilation—Natural ventilation.*—While proposed legislation requires mechanical ventilation on all new ships, this requirement is to be applied to existing ships only "so far as is practicable and reasonable."

On the average freighter or three-island ship, where the personnel are berthed on or above the weather deck, ventilation can be adequately cared for by mushroom or torpedo ventilators, supplemented by louvres in doors or by stopping alleyway bulkheads below beams.

In new ships, both for ventilation and safety, the size of portlights in crew quarters above the freeboard deck should be materially increased. Below the freeboard deck, their size should be up to the limit of the classification societies' rules.

Mechanical ventilation.—Where the crew is berthed below a continuous deck or in long alleyways, a well-designed mechanical ventilating system is essential.

With a duct velocity not exceeding 1,200 feet per minute, the air should enter each space through a diffusing louvre and should provide about 10 changes per hour.

On ships trading in cold climates, provision should be made for heating the air, to avoid the necessity of shutting down the system in winter.

6. *Insulation*—The crew should not be berthed under a bare steel deck. In cases where this cannot be avoided, the deck head in quarters should be insulated.

The ship's side, in all quarters, should be sheathed or insulated. T. & G wood sheathing should not be used for this purpose or for interior bulkheading.

Where the crew is berthed adjacent to or over boiler or machinery space, particular attention should be given to insulating bulkheads, decks, and casings to prevent the transfer of heat to quarters.

7. *Heating*—The heating system in living quarters, messrooms, and bathrooms should be designed to maintain a room temperature of 70 degrees under normal operating conditions.

Where steam radiators are used, the convector type is recommended.

8. *Floor covering*—Decks in all crew accommodations should be covered with some suitable permanent floor covering such as magnesite. The material should be swept up around bulkheads to form a sanitary base.

Decks in toilet spaces and bathrooms should be floored with white ceramic or other suitable tile and 6-inch base tile, so that they may be kept in a sanitary condition.

Tile in shower stalls should be nonskid ceramic.

Galleys and pantries should also be floored with nonskid tile and waterways should be fitted where necessary.

9. *Painting.*—Living quarters and messrooms should be painted with white or cream semi-gloss enamel.

Bathrooms and toilet spaces should be painted with white enamel.

For the bulkheads of new shower stalls, it will probably be found that the initial cost of tiling will be less than the cost of frequent repainting of metal surfaces during the life of the ship.

10. *Toilets and bathrooms.*—Proposed legislation describes in considerable detail the requirements for new ships with regard to separate bathrooms for different departments of personnel, the separation of toilet facilities from bathing and washing facilities, the number of each kind of fixture in relation to the number of personnel, and the ventilation of toilet and bath spaces.

It does not seem necessary to quote the proposed law on this subject in full, but some of the requirements for new ships will be referred to in connection with the committee's recommendations for old ships.

After careful consideration, the following recommendations are submitted for the "practicable and reasonable" application of the law to existing subsidized vessels:

Toilet facilities.—Where space permits, toilet facilities and bathing facilities should be in separate compartments. Toilet spaces and bathrooms should in all cases be separated from living quarters by steel bulkheads.

According to proposed legislation, there should be "a toilet seat for each 10 persons, or fraction thereof, and, in addition, a urinal for each 10 male persons."

In the opinion of the committee, where space is limited on old ships, it should be considered satisfactory to provide one urinal for every three toilet seats. A hand grab should be fitted in way of each urinal.

Toilet bowls should be of the water-seal type and should be arranged in stalls, preferably of metal, with half-height bulkheads and doors.

In the opinion of the committee, where toilet and bath facilities are in separate compartments, at least one wash-basin should be fitted in each toilet space, instead of placing all washbasins in bathrooms.

Toilet spaces should be ventilated by a mechanical exhaust blower, to give twenty air changes per hour. Where a toilet is adjacent to a bathroom, the air supply may be taken from that space through a suitably placed louver. Otherwise, the outside door of the toilet space should have a louver panel, or should be cut away about one inch clear of the sill.

Where toilet spaces are large, or are placed below a continuous deck, or in closed alleyways, they should be fitted with a mechanical air supply, as well as exhaust ventilation. The supply should give about 20 percent less volume than the exhaust.

Bathing facilities.—Each bathroom should be fitted with one shower stall for every ten men. Shower stalls should be at least 30 inches wide by 39 inches deep.

Each shower stall should be supplied with fresh hot and cold running water, individual floor drain, hand grab, and soap receptacle.

On new ships, proposed legislation requires that each bathroom should have one washbasin for every four men. In the opinion of the committee, one washbasin for every six men is satisfactory, especially in a reasonable application of the law to old ships.

In way of each washbasin there should be fitted a soap receptacle and a mirror with a brush and comb rack. The mirror should be at least 12" x 16".

The space should be lighted in such a manner that the mirrors will reflect conveniently for shaving.

Each bathroom and toilet space should be fitted with coat hooks, equal in number to the fixtures.

Bathrooms should be provided with good natural ventilation, and where they are below decks, should be provided with mechanical exhaust ventilation similar to that recommended for toilet spaces.

Each bathroom and toilet space should have one or more substantial floor drains to assure natural drainage.

11. *Messrooms.*—On the average freighter, it is not considered essential to provide separate messrooms for deck and engine personnel of the unlicensed ratings.

Separate tables, however, should be provided for each department, and for petty officers.

12. *Recreation room.*—Where space permits, a recreation room is desirable.

Where a separate recreation room is not provided, it is considered advisable to arrange messrooms, where space permits, with four-seat tables, rather than the usual long tables, so that messrooms may also be used as recreation rooms.

13. *Pantries.*—Where sufficient space is available, the crew's pantries should be separated from but adjacent to messrooms.

With reference to crews' pantries, it should be noted that a number of owners are now installing an electric refrigerator in the crew's pantry or messrooms, as well as in the officers' pantry.

14. *Hospital.*—The crew's hospital should be completely enclosed so that contagious diseases can be isolated.

It should be provided with adequate natural or mechanical ventilation.

When the hospital is outboard or in a separate structure on deck, the ship's side or the bulkheads and deckhead, as the case may be, should be sheathed or insulated.

Hospitals should be so arranged as to include an adjoining space equipped with a toilet, washbasin, and bathtub. A shower bath is not considered adequate for hospital use.

15. Room equipment.—Berths.—Standee or pipe berths are usually from 27 inches to 28½ inches wide by 72 to 76 inches long, over all. When complete installations are being made, consideration should be given to increasing the width to 30 inches. The minimum length should be 76 inches.

It is considered timely to effect a departure from the conventional standee or pipe berth to single and double decker metal beds.

Berths should not be fitted more than two high, nor should they be double-banked under any circumstances.

Contrary to the usual custom, lee rails should not be continuous. They should be fitted at the head only, extending for about one-third of the length.

Where the crew's rooms are small, the committee desires to point out the advantages of U. S. Navy type C. O., or hospital berths, which fold up against the bulkhead. When folded up, these berths provide space for the installation of a permanent settee. For the specifications, see U. S. Navy plan C. & R. No. 206529.

Mattresses.—Straw mattresses should not be supplied under any condition.

In the opinion of the committee, consideration should be given to a better grade of mattress than is now generally supplied to unlicensed personnel.

While kapok or long-staple cotton mattresses are satisfactory if well built and of sufficient thickness and weight, attention should be given to the ultimate economy and advantages of supplying hair mattresses such as those described in U. S. Navy Specification No. 27-M 8a.

Sheets should be used instead of mattress covers, as they are not only more satisfactory but cheaper to buy and cheaper to wash.

Lockers.—A metal locker should be fitted for each man.

Either the width or depth of lockers should be sufficient for the use of coat hangers.

Proposed legislation requires an individual metal locker at least 12" x 21" x 60". In the opinion of the committee, lockers should be at least 15" wide, 21" deep, and 72" high.

A cross bar for coat hangers should be fitted midway of the depth.

It is also desirable to fit small compartments in lockers for the proper storage of clean linen and other personal effects.

Lockers should have sloping tops to discourage the stowage of lifebelts or miscellaneous gear. The placing of rails in way of sloping tops, to hold suitcases, etc., should not be permitted.

Benches.—Each room should be equipped with a portable bench, or, preferably, a fixed slatted settee, not less than 15 inches wide and as long as available space and convenience permit.

Tables. Assuming sufficient space, each room should be fitted with a portable or drop-leaf table, which, with a bench or chair, may be used as a writing desk.

Lighting.—Deck head lights should be dropped below the level of deck beams by fitting suitable spool pieces or brackets.

In addition to general illumination, each berth should be fitted with a 15-watt shaded reading light, controlled with an individual switch at the fixture.

Fans.—An oscillating fan, at least 12 inches in diameter, should be installed in a suitable location in each room, and two oscillating fans in each messroom.

Windscoops.—A metal windscoop should be supplied for at least one port in each room.

Port screens.—A port screen should be supplied for each port.

Mirrors.—A mirror at least 12 x 16 inches, with a brush and comb rack, should be fitted in each room.

Stowage.—Slatted stowage racks should be fitted on the deck head of each room for lifebelts.

Stowage racks should also be provided in each space for windscoops and port screens.

Stowage for deadlights should be provided either in each room or in the alleyway adjacent to the room.

Built-in furniture.—Where built-in furniture is fitted, it should be kept at least 9 inches clear of the deck.

Coat hooks.—Each living room and messroom should be fitted with a hat and coat hook for each person.

Door hooks.—Hold back and ajar hooks should be fitted to each door.

General stowage lockers.—It is desirable to provide, for the personnel of each department, a general locker for the stowage of suitcases, sea bags, or trunks, oilskins, working clothes, etc.

Covered deck space.—It is also desirable to provide a covered deck space for the use of the crew, and, where practicable, a few slatted settees.

Respectfully submitted.

I. M. HOLT, *Chairman.*

D. J. McAULIFFE.

H. C. WASHBURN.

[Lloyd's List, London, dated September 7, 1937]

CREW SPACE IN BRITISH SHIPS—THE NEW B. O. T. INSTRUCTIONS—IMPORTANCE OF MAINTENANCE IN GOOD CONDITION

The new Board of Trade instructions as to the survey of master's and crew spaces have now been published (H. M. Stationery Office, 6d. net) and come into force immediately. (A forecast of the new instructions appeared in Lloyd's List of July 28.)

They represent a great advance on previous instructions, but they also represent the standard which has been applied by shipowners themselves, usually after consultation with the Board of Trade, in practically all new ships built in the last year or so.

The main improvements are:

The accommodation is to be amidships or aft instead of forward, as has been usual up to now;

A hospital is to be provided in all ships over 2,500 tons;

Beds are generally to be in single tier;

There are to be separate messrooms, separate sleeping accommodations for different watches, better washing and bathing facilities, proper drying rooms, provision for hanging oilskins and dirty clothes, better ventilation, and the accommodation is to be of greater height.

The new instructions are the outcome of a long series of negotiations between shipowners, seamen, and the Board of Trade. The starting point was in 1928 when the Board of Trade approached the Shipping Federation with the suggestion that the time had come for an improvement in standards of crew accommodation, and as a result the federation set up a committee which produced a report in 1930. This report was a great advance on anything which had previously been issued, but unfortunately its production coincided with the beginning of the great slump, when shipbuilding was almost at a standstill and when owners had little opportunity for giving effect to recommendations of this kind.

"SCRAP AND BUILD" SCHEME

In 1935 the Board of Trade again approached the Shipping Federation and, as a result, the Federation set up another committee to reconsider the 1930 report in the light of more recent developments. At the same time the "scrap and build" scheme, under which advances were made on certain conditions to shipowners for the building of new tonnage, gave an opportunity to the Board of Trade to insist on improved accommodation in the ships built with Government aid, and to test in actual practice the kind of accommodation foreshadowed in the Shipping Federation's 1930 report as modified in the light of the experience of the board's technical advisers. While the Shipping Federation committee, therefore, were considering the instructions they had the chance of seeing higher standards actually applied in practice. The Shipping Federation committee accordingly produced a new report, and with this as a basis and with the advice of the National Union of Seamen and the Association of Port Sanitary Authorities of the British Isles, the Board of Trade drew up draft instructions which, after having been submitted to the merchant shipping advisory committee, who suggested a number of useful amendments, have now been issued.

In returning the draft instructions to the Board of Trade the merchant shipping advisory committee laid special stress upon the necessity for keeping the accommodation in good condition, and suggested that masters of ships should make it their special responsibility to see that the accommodation was well main-

tained. The provision of better accommodation should also call forth greater care on the part of the men themselves in order that they may reap the full benefit from it. The National Union of Seamen are in full accord with this view, and there is every reason to hope that the co-operation of owners, officers, and seamen, which has been of great value in the preparation of these instructions, will succeed in maintaining the progress which has been made.

In dealing with the question of cleanliness, the merchant shipping advisory committee, in the course of their report, state:

"Although the new instructions will result in the provision of a much better class of accommodation, and in particular in new ships, it is only by the mutual co-operation of officers and crews that the full benefits of the improved standard can be secured. A good deal of the criticism which has been levelled against crew accommodation on British merchant ships is criticism directed on the state in which the accommodation is kept. In this connection we would like to point out that the general public do not always appreciate that the accommodation on foreign ships which is inspected in British ports is inspected when the crew is on board. Too often when comparisons are made with accommodation on British ships the inspection of British ships is made when the crew have left or are on the point of leaving, and in consequence are not as personally anxious about the conditions as they would be were their engagements continuing. For this reason we welcome the provisions in paragraph 30 of the new instructions in regard to the care and upkeep of crew spaces. In our opinion it cannot be too strongly emphasised that the master should make it his business, and should receive express instruction to that effect from his owners, to take a personal interest in all questions relating to the accommodation of his crew and should make a regular and frequent inspection of the crew's quarters, the result of the inspection being entered in the official log. If this is done we are confident that the resulting co-operation between the crew and the officers will ensure that personal concern for the condition of the accommodation which is necessary to its proper maintenance."

CARE AND UPKEEP

Paragraph 30, to which the committee call special attention, reads as follows:

"Care and upkeep of crew spaces.—All crew spaces must be kept in a fit condition for the proper accommodation of the men who occupy them.

"The duty of seeing that this requirement is complied with falls primarily upon the master as representative of the owner. Much can be done by his personal interest and attention. He should satisfy himself by frequent and regular inspection, the results of which should be entered at least once a week in the official log (along with records of drills and musters) and in the owners' log, that the crew's quarters are maintained in a proper condition, that the quarters are cleaned daily and that every effort is made to detect the presence of vermin and to deal with it immediately. Bunks, lockers, and other fittings should be washed and disinfected and the paintwork washed or renewed as necessary. In suitable weather when the quarters are being cleansed the men should be encouraged to air their bedding on the open deck.

"Washplaces and W. C.'s should be cleansed and the flushing and drainage arrangements tested daily.

"If an occupant of any crew space fails to maintain the space in a proper condition after being ordered to do so by the master disciplinary action against him should be taken in accordance with the articles of agreement with the crew."

EXISTING TONNAGE

The new instructions deal primarily, of course, with new tonnage, for the difficulties in the way of making drastic alterations in existing ships are obvious. What is suggested in their case (par. 31) is that advantage should be taken of every opportunity which may offer itself to make such improvements as are possible, having regard to the circumstances of each individual case. It might therefore, perhaps, be well to quote this paragraph in full:

"Existing ships.—Whenever substantial alterations or repairs are made to accommodation or any increase is made in the number of men carried in any space above that for which it is certified, the board are to be informed.

"In such cases, and where accommodation is found to be seriously defective, the board may require such alterations or improvements as are reasonably practicable within the standards laid down by these instructions.

"Apart from substantial alterations or repairs, crew spaces in existing ships can often be improved by giving special attention to the following points:

"Insufficient natural lighting of crew spaces may arise from the light from the sidecuttles being obscured by the placing of two tiers of beds against the ship's sides or through the interior having been painted in colours which materially absorb light.

"Ventilators may have been closed or blocked because of discomfort caused by draughts. In such cases it is often possible at little cost, to install new arrangements for ventilation. In other cases steps should be taken to lessen the draughts by trunking or by fitting suitable baffles which ensure a better diffusion of the air supply."

LATITUDE IN APPLICATION

Shipbuilding is not a static science, and it is impossible, therefore, to draw up regulations which can stand for all time. It is equally difficult to draw up regulations that can be fairly applied on every type of tonnage. It will be found, therefore, that the new instructions leave a good deal of latitude to the Board of Trade. This has been done deliberately, but it is worth quoting the merchant shipping advisory committee again in its report where it gives reasons for this latitude:

"It will be observed," the committee states, "that in many of the instructions a large measure of discretion is left to the Board of Trade in applying the general principles upon which the instructions are based. This is necessarily so, for the instructions are to cover all classes of tonnage. It is impracticable to provide detailed instructions which will cover every case, and if no discretion were left to the Board of Trade the instructions could be only a series of general principles. We desire, however, to emphasize that the success and value of the new instructions will depend very largely upon their reasonable interpretation and application by the Board of Trade and their surveyors."

For the first time there is a provision requiring that the accommodation plans of all new ships shall be submitted beforehand to the Board of Trade. A plan showing the general arrangement of the ship is to be submitted before construction of the ship is commenced, and before the construction of the accommodation is commenced there must also be submitted a detailed plan of the accommodation.

In regard to the position of accommodation, it is only in exceptional cases in the future that the Board of Trade will sanction accommodation in the fore-castle. Accommodation must, as a general rule, be amidships or aft and above the loadline. The height of the accommodation is to be a clear height of 7 ft. 6 in. in vessels of 1,600 tons gross or over, and 7 ft. in smaller ships. Generally speaking, this means an increase in headroom of about 9 in. Separate sleeping rooms, mess rooms, and sanitary accommodation are required for each category of the ship's personnel. Except on small ships the sleeping rooms must be separate for each watch. Where avoidable, bunks are not to be placed at the ship's side, but where this is unavoidable they are not to be in double tiers. Inboard bunks are also preferably to be in single tiers.

MESSING AND WASHING

Messrooms are to be provided and fitted with table seats and lockers. Wash-rooms must be provided and baths and showers near each wash place. These are to be adapted for the use of both hot and cold water, and an adequate supply of hot and cold fresh water is at all times to be readily available for washing. Facilities for drying clothes are to be provided, and the construction of w. c.'s is carefully defined. A specially equipped hospital is to be provided in every foreign-going ship over 2,500 tons gross. In foreign-going ships below that tonnage there must be space for use as a temporary hospital.

Detailed requirements are laid down with regard to lighting, and the regulations pay special attention to ventilation. Mechanical aids to natural ventilation are strongly recommended in vessels trading regularly to the Tropics. The capacity of the heating systems is laid down in detail, and it is provided that stoves will not as a rule be considered a satisfactory method of heating. Recreation spaces of adequate size on an open deck must be accessible to the crew when off duty.

The provisions as to crew space apply to all ships registered in the United Kingdom, except ships belonging to the three General Lighthouse Authorities, pleasure yachts, and fishing boats exclusively employed in fishing on the coasts of the United Kingdom. The expression "ship" includes every description of vessel used in navigation not propelled by oars. Modifications of the instructions will be authorised in certain respects for ships carrying lascar crews, and may be permitted in the case of other non-European crews.

With regard to the submission of plans of all new British ships (par. 8), these accommodation plans should be drawn to a scale of at least one-quarter inch to one foot, and should show in detail the allocation of each space, the disposition of the furnishings and fittings, the means of lighting, ventilation, and heating, and the sanitary arrangements. In the case of large passenger ships, the plans may be to a scale of one-eighth inch to one foot.

POSITION OF ACCOMMODATION

So far as accommodation is concerned (par. 9) the whole of this is to be situated above the load line and amidships or aft, but the board will sanction a departure from these requirements in any ships where, by reason of the size, type, or intended service of a ship, they consider compliance to be unreasonable or impracticable. In particular, in large passenger ships, accommodation may be below the load line if there is an approved system of lighting and ventilation. Accommodation must be accessible at all times (par. 10) and the entrances must be properly protected from weather and sea.

In regard to sleeping accommodation (par. 16) this is to be allocated as follows: Officers, petty officers, apprentices, seamen, firemen, and stewards, while separate messroom accommodation is to be provided for officers (except those accommodated in passenger saloon); petty officers, apprentices (unless messing with officers) and ratings, except that (1) in passenger vessels no mess-room accommodation need be provided for stewards if other satisfactory arrangements are made, and (2) relaxations may be allowed in the case of small ships. Separate sanitary accommodation is to be provided for officers, petty officers, apprentices (unless using the same accommodation as officers) and ratings. This requirement in so far as it relates to wash-room accommodation may be relaxed as considered reasonable in the case of small ships.

A drying room (par. 20) suitable to the needs of the crew is to be provided unless there are other adequate facilities for drying clothes. The drying room should be fitted with racks or rods for hanging clothes, and be suitably lit, heated, and separately ventilated. Compartments are to be provided for hanging oilskins and dirty clothes.

On the question of personal hygiene (par. 32) the instructions suggest, to prevent the harbourage of vermin: (1) The substitution of wooden beds by metal or hardwood beds, and (2) the replacement of tongued and grooved boarding by steel or substantial plywood whenever possible, and the removal of lockers sufficiently far from bulkheads to enable cleaning and painting to be regularly attended to.

[*"Lloyd's List"*, London, dated Sept. 9, 1937]

CREW ACCOMMODATION

The new board of trade instructions as to the survey of master's and crew's spaces, details of which were published in our columns on Tuesday, will no doubt be welcomed by all concerned. Shipowners and shipbuilders now know where they stand, while seamen themselves will welcome the step forward that the new instructions undoubtedly represent. One important fact should not be lost to sight, namely, that although the new instructions have only now come into force they have in effect been in use so far as new tonnage is concerned for some time, practically all British shipowners ordering new ships having fitted them with accommodation up to or above the requirements of the new regulations, usually after consultation with the board of trade. Too much importance cannot be laid on one particular item of the instructions—that dealing with the care and upkeep of the crew's quarters. Even the best accommodation will soon deteriorate if it is not well cared for, and from bad accommodation the descent to a "slum of the sea" is very rapid. The duty of seeing that the crew spaces are kept in a fit and proper condition for the accommodation of the men who occupy them falls primarily on the master of the ship as the representative of the owner. As the instructions point out, he can do much by his personal interest and attention, so can the rest of his officers, but it is also up to the crew themselves in their own interest to maintain their accommodation in the best possible condition. The instructions are based on a report produced by the shipping federation. Using this report as a basis, and with the advice of the national union of seamen and the association of port sanitary authorities of the British Isles, the board of

trade drew up draft instructions which were submitted to the merchant shipping advisory committee. That body suggested a number of useful amendments, and the new instructions as now issued are the result. That they will prove satisfactory to all concerned in practice there can be no doubt, and they should remove once and for all the stigma that the accommodation in British ships falls below that provided in the vessels of other maritime powers.

The CHAIRMAN. If we are finished with the witnesses, I will ask that we have an executive session.

(At 11:40 a. m. the committee met in executive session.)

APPENDIX

The following is the matter referred to on page 211:

NO. 10. S. S. "VIRGINIAN"

Seaman complains of the amount of lumber carried as deck load on the S. S. *Virginian* of the American-Hawaiian Steamship Company and submits photograph in evidence that such load was excessive.

From the photograph submitted, it appears that the deck load was not unusual in extent, height, or in any other respect and was extremely well-lashed. In addition the photograph distinctly shows, not a ladder to walk up over the deck load as the seaman states, but a pair of wooden stairs. The photograph also shows double guard lines fore and aft along the top of the deck load.

The seaman further states that it was difficult to keep the ship on her course in bad weather and that it was necessary to use $3\frac{1}{4}$ turns of right rudder and $2\frac{1}{4}$ turns of left rudder to keep her on her course.

In bad weather a loaded freighter will easily require this amount of helm.

The seaman complains that the crow's nest was used for lookout.

Evidently in the judgment of the master a better lookout could be kept from the crow's nest and the master cannot be charged with lack of consideration in so doing or in maintaining a proper lookout, as he was not only safeguarding his ship but the lives of the crew on board.

NO. 11. S. S. "CALIFORNIA"

Seaman complains that four lifeboats on the above steamer were continuously under repairs and that the boats were in such condition as to be unfit for use; also that this situation continued throughout three trips between the east and west coasts.

The local inspectors at New York state in their report that the chief officer of the *California* denied that the boats were at any time while the vessel was at sea in such condition as to be unfit for use. The chief officer further stated to the inspectors that the only time the lifeboat tanks and equipment were overhauled at sea was when a small number of passengers were on board making available remaining boat capacity for all persons on board. The Bureau in the investigation finds no violation of law or of the regulations.

NO. 12. S. S. "SANTA CLARA"

Seaman Joseph Curran complains that the above steamer was found October 1934 to be carrying insufficient crew assigned to No. 2 lifeboat and further alleges that there were only 12 to 14 lifeboat men in addition to the ship's officers.

Investigation by the local inspectors at New York indicates that the certificate of inspection requires 23 certificated lifeboat men to be carried. The inspectors further state that the vessel at all times carried the number of men required by the certificate of inspection.

In this connection a sworn statement was made by Vladimir Zernin, chief officer of the *Santa Clara*, stating that the ship had always had on board the number of lifeboat men required by the certificate and that manning of the boats has been carried out in accordance with the Bureau's rules and regulations which require a certificated lifeboat man to be assigned to each boat. Investigation further reveals that the ship carries 19 stewardesses who, Curran alleges, are useless as crew in handling boats and placing an added burden upon the male members of the ship's company in case of emergency.

There is nothing in the law and the Bureau's regulations which prohibits the employment of stewardesses or waitresses aboard a ship, nor is there anything

in the law which prevents a woman from obtaining an able seaman's certificate or an officer's license should she be found in all respects to be qualified.

Investigation does not indicate that there has been any violation of the law or the general rules and regulations.

NO. 13. S. S. "MANHATTAN"

Seaman complains that while employed on the above steamer in March 1936 the two motor lifeboats were in such condition as would make impossible their proper use. In particular he alleges that the motors fitted to the mechanical means for lowering gear were out of order in such a fashion as to prevent the launching of the boats.

The local inspectors at New York in investigating this complaint secured an affidavit from Mr. H. Manning, chief officer of the *Manhattan*. Mr. Manning states that at no time were the boats in such condition as alleged and that all the ship's boats, including the motorboats, are lowered at least once a trip; i. e., every three and one-half weeks. The inspectors further state that upon examination they found that the lowering gear are the usual gravity type and that the lowering is controlled by a friction brake.

The Bureau finds no violation of the law or regulations.

NO. 14. S. S. "ORITANI"

"I was employed aboard the S. S. *Oritani*, of the Moore-McCormack Line, during the months of September and October in 1934. There were wooden covers nailed on the gunwales of both lifeboats. During the period of time I served in the above named vessel, the lifeboats were not swung out in a boat drill. No fire stations were assigned nor were there ever any held. When we checked the lifeboat gear it was necessary to remove the lifeboat covers with pinch bars. This operation took ten minutes for each boat. These statements I swear to be true, and as stated, and I trust they will speak for themselves."

The above complaint was investigated by the local inspectors at New Orleans, La., on August 18, 1936, and from the testimony and other available information, it was adduced that the *Oritani* has been laid up at this port since May 1936, and no members of the former crew were available except the master, who was also in charge of the vessel during September and October 1934.

The master testifies that during the period in question, and at all times while at sea, fire and boat drills were held regularly once each week on the *Oritani*, and at no time were the wood boat covers nailed to the boat except when the vessel was laid up out of commission.

The log books covering the period from August 27, 1934, to October 14, 1934, show that fire and boat drills were held weekly while at sea, where weather permitted, and that the vessel went out of commission on October 16, 1934.

On August 18, 1936, an assistant hull inspector visited the *Oritani*, without giving the master previous notice, and found the lifeboat covers to be readily removable, and there was no evidence of the covers having been nailed to the boats.

In view of the above, we find that the allegations are not substantiated by facts.

NO. 15. S. S. "EASTERN SWORD"

Seaman complains that on September 12, 1935, during a fire and boat drill, an ordinary seaman aboard the above vessel, one Sherman Dahlgreen, fell from the boat deck to the well deck and received serious injuries to his leg and left arm and collarbone due to a rotten lashing on the cover of the lifeboat. It is alleged that the lashing parted when Dahlgreen was making it fast.

Investigation by inspectors of the Bureau indicates that on September 4, 1936, all lifeboat covers and lashings aboard the above vessel were in good condition.

NO. 16. S. S. "SOUTHERN CROSS"

Seaman complains that ship left the dock with the cargo holds open, the rails down, the booms up and not properly secured. The seaman further complains that he was hurt while assisting in lashing a boom after it was topped up.

Investigation shows that while the above ship leaves the dock with the hatches partially open, the hatches, rails, etc., are all properly secured before vessel leaves the harbor and enters the open sea. In regard to the booms being topped up, this particular ship is fitted with appliances whereby she may safely carry her booms

topped up and lashed to the cross-trees. Lashing of the booms, etc., is part of the regular work of able seamen. It is hazardous but no more so than many other phases of seamen's work. Investigation shows no violation of the law, the regulations, or the shipping articles.

NO. 17. S. S. "HARTWELSON"

Seaman complains as follows:

1. When he was a member of the crew of the steamer *Hartwelson*, a collier that commonly trades between Newport News and New England ports, she was frequently "loaded in excess of the safety limits called for by the law."

Inasmuch as the complaint does not state any definite date, the full refutation of the charge is not possible. The local inspectors at Boston examined the vessel on July 1, 1936, and found that she had a proper load line mark in accordance with the recent law which became effective in November 1936. Undoubtedly the complainant refers to conditions existing before this law became effective, and it is possible that the ship was loaded deeper than she would be allowed under the recent load line regulations.

2. That the portholes on the above vessel leaked profusely in an average sea. Examination of the portholes in the crew's quarters forward on July 1, 1936, found all ports fitted with good gaskets and deadlights.

3. That the crew slept forward and there was no lighting facilities whatsoever.

Firemen and sailors have been quartered forward in ships for hundreds of years; however, a study is now being made of the advisability of placing the crew in the forward end of the ship, and considerable pressure is being brought to bear to move their quarters amidships. In regard to the lighting facilities, an examination in July 1936 found electric lights in the crews' quarters forward.

4. The ship made a practice of carrying able seamen without lifeboat or A. B. certificates.

In July 1936 the ship carried four certificated lifeboatmen as required by her certificate of inspection.

5. The boats, four in number, did not have their full complement of supplies required by the Steamboat Inspectors Bureau.

Examination of lifeboats on July 1, 1936, found complete equipment as required by the Bureau's regulations. Vessel has never operated without certificate of inspection in accordance with which lifeboats would be inspected at annual inspection when certificate granted and at re-inspection.

NO. 18. S. S. "EASTERN TEMPLE"

"While I, Gilbert White, was a member of the crew on the S. S. *Eastern Temple*, of the High Seas Transport Company, a life-boat drill was called. When the cover was taken off from the lifeboat, it was noted that the water cask had fallen apart, with hoops and staves laying in the bottom of the boat. The condition of the davits were deplorable, while the boat itself was frozen to the chocks. It required about two hours to prepare the boat for exercise. Holes caused from rust were in evidence, and I sincerely think that it would have been impossible to launch this particular boat."

Inasmuch as the complainant fails to state definitely the date on which the steamer *Eastern Temple* was not properly equipped with life-saving equipment, it was not possible to obtain the statements of licensed officers or other witnesses whose names might have been obtained through the records of the shipping commissioner. The records of the Bureau indicate that this ship underwent annual inspection at the port of New York on July 17, 1935, at which time a certificate of inspection was issued. This certificate was dated July 22, 1935, and would expire one year from that date. The records show many subsequent special examinations and inspections.

NO. 19. "SANTA ROSA"

1. Seaman claims that during a boat drill in San Jose, Guatemala, in August 1935, the emergency boat releasing gear did not work properly. Seaman further claims that during an inspection in New York during the fall of 1935, a boat drill was held and it was found that the fair leads of the after falls were improperly constructed and caused the falls to jam.

Investigation, including a sworn statement from the chief officer of the above steamer, would indicate that the complaint is entirely false. The log books of the voyage mentioned show that the vessel was in the port of San Jose on July

30, 1935, but that no boat drills were held. The boats on this ship are equipped with a type of releasing gear which does not function until the boat is water-borne. The allegation that a boat drill in the fall of 1935, in the presence of an inspector of this Bureau, could not be properly held because of improper arrangement of the boat falls is not borne out by the investigation. The boat drill in question was held by an assistant inspector at the port of New York whose record and statements show that all lifeboats and equipment were in good condition and ready for immediate use. At this drill, lifeboats Nos. 1, 2, 4, 6, and 8 were placed in the water and the crew drilled under oars.

2. The seaman calls attention to the manning of lifeboats aboard the ship. He states that "while having nine boats, has only eight A. B. seamen, a bos'n, who has charge of a boat, three quartermasters, who have a boat each, leaving only one sailor to man the falls of every boat."

The certificate of inspection of this vessel calls for 26 certificated lifeboatmen. While she only is required to carry eight A. B.'s, a bos'n, and three quartermasters, the other members of the crew who hold lifeboat certificates are qualified to man the boat falls and lower a boat. The investigation shows no violation of the law, the regulations, or the shipping articles.

NO. 20, S. S. "ORIZABA"

Seaman complains that during September 1935, while employed as an ordinary seaman on the above steamer during a lifeboat drill, the motor of the motor lifeboat failed to function and would not start.

An investigation of this complaint reveals that there was some difficulty with the motor because of sediment in the gas line. It was necessary to work on the motor for about a half-hour in order to get it started.

The Bureau rules and regulations require that motors on motor lifeboats shall "be operated ahead and astern for a period of not less than 5 minutes at least once in every 7 days to test its readiness for service, such operation to be part of the lifeboat drill and included in the report of such drill." The master of the above steamer was instructed in regard to this regulation.

A check-up of violations of Bureau regulations similar to this is the work of traveling inspectors. Reports of these men indicate that they are correcting many deficiencies such as those cited in the complaint.

NO. 21, S. S. "PRESIDENT ROOSEVELT"

Seamen complains that No. 9 boat, which was lowered to the assistance of another ship, was improperly lowered away and was not equipped with plugs.

The Bureau has on file an affidavit from the chief officer of the *President Roosevelt* at the time of the incident, with photographs of the operation of lowering away and the photograph of the boat rowing away from the ship. This evidence indicates that while one end of the boat was slightly lower than the other during the lowering, and that the boat's plug leaked slightly during the trip to the other vessel, no unusual incident took place. It was evident there was no violation of the law, the Bureau regulations, or the ship's articles.

The fact that one end of the boat was lower than the other only indicates that the seaman handling one of the boat falls did not lower away quite as fast as the man on the other fall. In this connection it should be noted that Bureau regulations promulgated in January 1935 will make it mandatory that passenger vessels, on which the boat deck is more than twenty feet above the water when the ship is operating at her lightest sea-going draft, be equipped with mechanical means for lowering each lifeboat and arranged in such a manner that the falls are wound on the same drum and the boat is of necessity lowered evenly. These regulations are effective on new passenger vessels at the present time.

NO. 22, S. S. "AMERICAN LEGION," S. S. "CALIFORNIA," AND S. S. "SANTA LUCIA"

Seaman complains that on the S. S. *American Legion* black powder was left exposed on the left side locker of port room and that it was in a can with no cover, and that some powder was in a can in a cardboard box.

The Bureau has on file an affidavit from Captain P. C. Mahady, master of the S. S. *American Legion*, which states that the powder of the line-throwing gun was kept in the port light tower and in a metallic container and tightly closed. The locker in which it is kept is constructed entirely of steel and is kept locked, being accessible only to the licensed officers of the ship.

The line-throwing gun and its accessories are carried on vessels in compliance with Bureau regulations. The Bureau sees no violation of the law or the Bureau regulations in the stowage of the powder for the line-throwing gun in a fire resisting locker high on the boat deck.

NO. 23. S. S. "SOUTHERN CROSS"

See complaints Nos. 108 and 32.

NO. 24. S. S. "SUDUFFCO"

The complainant alleges that lifesaving equipment was borrowed from a sister ship and placed aboard the above steamer for the purpose of passing the inspection, and that after the inspection was completed, it was returned to the sister ship. The ship subsequently was lost in a severe storm and all hands were drowned.

Investigation indicates that no evidence was available to the Bureau's inspectors to indicate that any lifesaving equipment was removed from the vessel. The inspectors' report states:

"When this vessel was certificated by this Board in 1925 she was fully equipped according to law and in a seaworthy condition as shown by inspection reports and certificate issued."

If after a certificate is granted a vessel the owners or operators decide to remove all the lifesaving equipment, neither the Department nor the Bureau can be held responsible. The licensed officers could, however, have been proceeded against, had they survived.

NO. 25. S. S. "AMERICAN IMPORTER"

Seaman complains that on the above ship, while a boat drill was being held at sea, it was found that a wedge was placed beneath the quadrant of a mechanical davit to keep it from shaking and that it was necessary to chop out this wedge before the boat could be swung out, thus delaying launching operation at least 12 minutes.

An affidavit on file with the Bureau from Captain John Anderson, who was master of the vessel when the above incident occurred, states that there was a wedge under the quadrant of the davit and that it was necessary to chop the wedge out. The captain states that he personally timed the delay due to the removal of the wedge and that it amounted to three minutes since it was only necessary to turn the davit back inboard and remove the wedge. The master further states that it was the first occurrence of an incident of this kind aboard his ship and that it has never happened since. It appears that there has been a violation of Bureau regulations in connection with maintaining lifesaving equipment ready for immediate use at all times.

Due, however, to the fact that the master immediately corrected the situation and the slight delay connected therewith, no further disciplinary action against the master or licensed officers appears necessary.

Seaman further charges that the life belts were stowed below deck in an unused hatch, that this stowage is improper and it would be nearly impossible for everyone to obtain a belt from this location.

He also charges that crew rooms occupied by two men are without life belts.

Investigation indicates that the life preservers stowed below decks in No. 7 hold are carried on the ship in excess of the requirements.

Investigation of the alleged absence of life belts in crews' quarters indicated that two rooms were without life preservers which was immediately corrected. In this connection there was a violation of Bureau regulations requiring life preservers to be immediately accessible to each member of the crew. The field inspection service was established to maintain a high degree of compliance with the Bureau regulations. Violations of this character are found daily.

NO. 26. S. S. "EL DIA"

Seamen make general complaint about testing of lifeboat falls by loading the boats with a full complement of persons.

This is a portion of a Bureau regulation concerning requirements to be carried out at annual inspection. At a weekly boat drill, the Bureau regulations require no such test.

Seaman complains that boat falls were old and weak and that they should be changed every month.

The complaint is not specific as to time and place so cannot be definitely refused. However, the inspectors at annual and reinspections examine the boat falls and require renewals when found necessary.

Seaman complains also about the manner and methods of conducting boat drills, claiming that lifeboat crew was not properly instructed by licensed officers; that the licensed officers were inexperienced and had no real sea experience. He cites as an example the conditions on the Clyde and Mallory Line ships, stating that deck boys are not sailors but brass shiners, and are quickly promoted to quarter-masters, thence to third mate without ever having the proper experience.

The Bureau's regulations for the conduct of fire and boat drills are most specific. The Bureau's inspectors and traveling inspectors when available are continually checking up on the methods and adequacy of the drills conducted, the knowledge of the licensed officers concerning such drills and the means provided on each particular ship to cope with an emergency. Especially during the past three years, the Bureau has stressed the necessity for more thorough training of ship's crews, and in this connection the necessity for a larger number of traveling inspectors to check on such matters.

Regarding the complaint in this connection, that of rapid promotions without proper experience, the Bureau knows of no way in which such matters can especially be corrected. The Bureau, is, however, setting up a new system of examinations for licensing officers which will, it is hoped, raise the standard.

NO. 27. S. S. "CITY OF HAMBURG"

Seaman complains that during several fire drills on the above ship the fire hose broke on three occasions.

The Bureau has investigated this complaint and has secured an affidavit from Captain Joseph E. Lee, master, and G. S. Moon, chief officer, also submitted an affidavit. These men both state that fire hose are only used for drill purposes and that to their knowledge only one fire hose let go and that this occurrence was due to the hose clamp coupling being insecurely fastened. From the investigation, the complaint concerning the fire hose is almost without foundation.

Seaman complains of conditions in general aboard ship, the food, etc., and further that there are other ships operated by the same company which have cracked plates in their side amidship which are patched over with rubber.

The local inspectors at Baltimore made an annual inspection of the *City of Hamburg* on July 23, 1936, and in the report of the inspectors it appears that crews quarters and mess rooms were found in an excellent condition and members of the crew who were aboard the ship the time the complaint was made, i. e., April 23, 1936, stated "That they had no complaint of the manner in which they had been treated by the officers and that their food and quarters were satisfactory." The report further indicates that the hose and other equipment met all the requirements of the Bureau regulations. Examination of the report of the inspectors further indicates that the food served the crew as indicated by the menus is well balanced.

In regard to the statement that several ships on the Baltimore Mail Steamship Line are operated with cracks in their sides amidships, which cracks are painted over and are not noticed by the inspectors, this is highly improbable. There are five ships operated by the Baltimore Mail Line, the names of which are set forth below:

City of Baltimore.
City of Hamburg.
City of Havre.

City of Newport News.
City of Norfolk.

All of these ships are classed by the American Bureau of Shipping and are therefore required to undergo periodical surveys required by classification societies in addition to annual inspection made by the field offices of this Bureau. It is exceedingly doubtful that the master or other licensed officers, knowing of this condition, would fail to report such condition to the inspectors.

NO. 28 S. S. "HAITI"

Complainant alleges that during February 1936 while employed on the above steamer the fire buckets were empty and that this condition continued during that trip and the next.

In an executive committee meeting in September 1935 the board of supervising inspectors deleted the requirements that fire buckets be carried on any

vessel under the jurisdiction of the Bureau. Additional fire extinguishers were substituted.

The Bureau finds no violation of the law or the rules and regulations.

NO. 29. S. S. "SUN DANCE"

Seaman complains that aboard the above steamer lifeboats were so frozen to the chocks that thirty minutes were required to launch one boat. He further complains that he was injured because a hook holding a watertight door back in its normal position was rusty, and the door was tied up with a piece of electric wire. He claims that when he was going through the door the ship rolled and the door slammed shut severely injuring him.

A full investigation of this complaint indicates first that upon the vessel's arrival in Charleston, South Carolina, the inspectors held a boat drill unannounced and the boat was swung out in one minute forty-five seconds. An investigation indicates that Walters was hurt in some manner aboard the ship, but does not indicate that licensed officers were in any way negligent.

Affidavits from members of the crew indicate that the hook was broken at the time the accident is alleged to have occurred but was immediately renewed. Investigation further indicates that the hook was broken off, and broken off by a sharp blow which caused a clean break. The hook was not rusted off as alleged.

There is no violation of the law or the Bureau's regulations.

NO. 30. S. S. "ATENAS"

The complainant states that while employed as able seaman aboard the above steamer on September 3, 1935, when the ship went to the assistance of the S. S. *Dixie*, which vessel was aground off the coast of Florida, he states that it was necessary to use the motor lifeboat and that after getting in the water they were unable to start the motor for a period of eight hours and that the motor was badly clogged with sediment.

The Bureau has on file the sworn statements of three mates who were aboard the ship and were handling the motor boat at the time.

Mr. George B. Service who was the chief mate on the S. S. *Atenas* states that the gasoline line in the motor boat did clog due to accumulation of sediment and there was some trouble keeping the engine running. However, the motor boat carried out its mission of proceeding to the *Dixie* and returning with another boat containing 20 of the *Dixie's* passengers in tow. On the way back they were unable to run the motor and the boat containing the passengers was taken in tow by another motorboat from the S. S. *Warbler*, a wrecking vessel, operated by Merritt and Chapman.

Seaman complains that another lifeboat was launched by the *Atenas* and that the life lines attached to the span line between the davits were rotten and that the lifeboat painters were rotten and had to be renewed.

The Bureau secured affidavits from the second and third officers of the S. S. *Atenas*, which are quoted below:

OCTOBER 7, 1936.

At 3:05 p. m. September 4, 1935, I, Warren L. Burget, was second officer on the *Atenas* and was the officer in charge of No. 3 boat which went to the aid of the S. S. *Dixie*.

The equipment of the boat was in good condition and painters and life lines had been renewed at the beginning of the voyage to conform with Supplement No. 52 of the Inspection Service. Consequently any assertion that poor equipment was in operation would be false. While taking this boat on board I relieved the falls of my own weight by lifting myself hand over hand on a life line and during the procedure of both lowering away and returning on board I found no equipment in any condition but the best.

(Signed) WARREN L. BURGET.

Sworn to before me this 7th day of October 1936.

W. B. FOSTER,
Notary Public, Kings County.

OCTOBER 7, 1936.

Previous to this ———— life lines and sea painters had been renewed on all boats to conform with new steamboat inspection regulations.

New line had been supplied for Lyle gun, and the Lyle gun line on board at that time being in good condition was used for life lines and spans.

Span lines and painters did not part and were not in bad condition and were not renewed at this time.

(Signed) GEORGE N. AXITORS.

Sworn to before me this 7th day of October 1936.

W. B. FOSTER,
Notary Public, Kings County.

NO. 31. S. S. "AMERICAN SHIPPER"

Seaman complains that during the inspection of the above vessel in New York during July 1936, the inspector in examining the pontoon lifeboats found that No. 4, a Lundin type lifeboat, was in such condition as to be unseaworthy and that No. 3 boat was in similar condition. He further alleges that because of the unseaworthiness of these two lifeboats, the total complement of the ship, passengers and crew, 155 in all, were dependent during that voyage on two 50-person lifeboats.

Investigation by inspectors of the New York office reveals, according to the inspector's record, that the deficiencies alleged in the complaint did not exist during 1936, but during the same dates in 1935, the boat referred to, No. 4, was in need of repairs and was replaced before the date set by the inspector.

The man who made the inspection states that the boat was not in such condition as to be unseaworthy, having a short period of time until a replacement could be made. Apparently the complainant is of the opinion that he was better qualified to judge the seaworthiness of the lifeboat than the inspector. The Bureau finds no violation of the law or the Bureau's rules and regulations.

NO. 32. S. S. "SOUTHERN CROSS"

Seaman complains that the motorboat davits when used for a new and heavier motor lifeboat were of insufficient strength to bear the weight of boat and passengers and that the davit was repaired at sea by members of the ship's crew.

This matter was investigated on August 5, 1936, and the following is noted from the inspector's report:

"This boat was lowered, loaded to capacity in accordance with rule III, section 39, Oceans, on June 8, 1936. Davits held the combined weight of boat and passengers satisfactorily.

"All lifeboats except #8 may be swung out without first being raised. The chief mate states that #8 lifeboat is to be changed this voyage."

The master, upon cross-examination, admitted that a steel plate was put on the davit by members of the crew while the vessel was at sea. Further investigation indicates that this strengthening plate was placed upon the piece of the davit in order to prevent the gears of the davit from fouling the davit frame.

According to the investigation, the inspectors were satisfied that the davit was in suitable condition for the vessel to proceed to sea.

NO. 32, 33, AND 106. S. S. "SOUTHERN CROSS"

A further investigation of these complaints shows that a new motor lifeboat was installed, which lifeboat was equipped with a radio and a searchlight to comply with the requirements of the 52nd Supplement. The new boat was 26 feet long, 7 feet 8 inches in beam, and 3 feet 3 inches in depth, with a capacity of 401 cubic feet, and allowed 26 persons. This boat replaced a boat which was 24 feet 2 inches in length, 7 feet 7 inches in beam, and 3 feet 4 inches in depth, with a capacity of 377 cubic feet, and allowed 37 persons. There was approximately 200 pounds difference in weight of the two boats. The complainant alleges that it was necessary to move the davits approximately four feet each way. However, upon investigation it was found that it was only necessary to move the after davit 2 feet 3 inches to take care of the additional length of the boat. In the matter of installing a steel plate on the davit, this plate was installed to act as a guide for the geared quadrant at the lower end of the davit. This was done and clearance rings were also installed to prevent any fore and aft movement of the davit caused by wear on the gear. These davits attached to this boat were raised 7 inches above the deck to permit the boat to be swung out without lifting from the chocks, which is required by the rules and regulations. Before the vessel proceeded to sea, and upon completion of this installation, an inspector from the New York office tested the installation as required by section 17 of rule III, General Rules and Regulations, and found the same to be satisfactory and in a seaworthy condition. The aforementioned test consisted of lowering the boat to the water with a full

capacity of persons and equipment. Attached are two photographs showing steel plate used as a guide, and the blocks installed to raise the davits 7 inches. There does not appear to be any violation of the rules and regulations.

NO. 33. S. S. "SANTA CLARA"

Seaman alleges that motor lifeboat out of trim due to the installation of radio set in the fore part of the boat causing boat to be unnavigable and unseaworthy. He further claims that releasing gear on this boat did not work.

The Bureau secured an affidavit from Mr. S. E. Koppang, first officer of the *Santa Clara*, together with an actual test carried out on the boat in question by local inspectors at New York. The statement of the chief officer shows that this incident must have taken place on March 9, 1936, in the harbor of Antofagasta, at which time the motor boat was lowered into the water and tested. The affidavit states that there was no difficulty with the engine; that the weight of the equipment did not cause the propeller to come out of the water; that there was no trouble with the releasing gear.

The information obtained at an actual test conducted in the harbor of New York indicates that the boat is trimmed about an inch by the stern when light. In this condition the tip of the propeller blade is about two inches above the water, but if the boat contained its full complement of persons the tip of the blade would be about 6 inches below the water level. Investigation shows quite definitely that this complaint is without foundation.

NO. 34. "AMERICAN FARMER"

Seamen complains that the motor lifeboat engine on the ship gave considerable trouble and that the releasing gear on the motor boat was so rusty that it took two men with a hammer and scraper 15 minutes to clear it. He further claims that the boat and its gear was passed by an inspector.

An affidavit obtained from M. McKenzie, chief officer of the S. S. *American Farmer*, states:

"In reference to complaint that the releasing gear on the motor lifeboat of this vessel was rusty and that there were two men with hammers and scrapers working fifteen minutes to release it is untrue. I personally supervise at fire and boat drills all equipment and I do not permit such defects. The engine in motor boat is under supervision of the chief engineer, and maintained by the first assistant engineer and his staff, the engine is kept in good working and running order at all times.

(Signed) "M. McKENZIE,
"Chief Officer, S. S. 'American Farmer.'"

The inspection records of this vessel indicate that Mr. McKenzie has been chief mate during the past two years.

An independent investigation made by the local inspectors at New York indicates that at the present time motor boat on this ship is in excellent condition and that the releasing gear is functioning properly. At this investigation the motor was started in less than one minute. The local inspectors at New York have contacted the inspector who conducted the annual inspection at which this occurrence is alleged to have taken place, but this inspector does not recall any such incident.

NO. 35. S. S. "NOSA PRINCE"

Seaman complains that while serving as boatswain aboard the above steamer, the fire hose were used to wash down the decks and that, because of excessive wear and tear in the process, the ship was at sea without a sufficient number of fire hose to supply all fire hydrants. The seaman further quotes the Bureau's regulations that fire hose shall not be used for any other purpose than fire extinguishing.

Violation of this regulation is indeed frequent as owners and operators instruct officers to use the fire hose and, in fact, refuse to provide any other type of hose, and if the deck officer is to keep the ship clean, he is forced to use the fire hose for wash down purposes. The Bureau's inspectors are continually attempting to correct this condition or at least to keep violations at a minimum.

The violation referred to above is alleged to have occurred in 1934. An investigation at this late date would prove fruitless.

The Bureau's inspectors cannot stay aboard all ships at all times while they are being operated and determine that no regulations are violated. However, officers can be charged with negligence for definite violation.

NO. 26. S. S. "ANCON"

Seaman complains of the condition of the lifeboats on the above ship stating that many of them have no bottoms due to the fact that they were under repair; and that the ship was allowed to proceed to sea with the lifeboats in this condition. He further states that the bulkheads of the ship are seriously in need of repair and that for this reason it is impossible to touch them with a chipping hammer for fear of damage.

Complainant makes various statements in connection with the ship, one in particular in which he alleges that 95 percent of the stewards are Germans without citizenship papers. Also, that the engine-room crew are not competent.

In investigating this complaint, the Bureau has secured affidavits from J. Y. Kutchner, chief officer, who has been chief officer of this ship since February 1931, and from Charles J. Manning, who has been chief steward for eight and one-half years, and from William C. Miller, chief engineer. The chief officer states in regard to the lifeboats: "Lifeboats on board are of all steel keels with extra heavy platings. They were put on board as new boats, when the ship was reconditioned in 1925. In the life of these boats we have found partly corroded plates along the bottom strakes, which have been renewed when necessary. At no time were these boats unseaworthy or condemned."

An examination of the lifeboats by an inspector at the port of New York on October 18 found the lifeboats in excellent condition. The inspector states, "These boats were originally constructed with steel keels and gunwales, and at no time have there ever been wooden keels."

In response to the complainant's statement that bulkheads at present in the ship are rusted away, it should be pointed out that this vessel is now 34 years old and she was built under the American Bureau classification, but her class was discontinued about 20 years ago. On the date of March 25, 1935, the local inspectors at New York were directed to thoroughly survey this ship and her sister ship, *The Cristobal*, by making a thorough examination at least equivalent to special survey No. 3. In explanation it should be stated that special survey No. 3 requires that actual measurements be taken of the present thickness of the ship's structural members, such as bulkheads, etc. Due to the requirements laid down by the Bureau in regard to subdivision, fire protection, etc., the company has agreed to replace both these vessels at an early date with new, modern ships.

In regard to the complainant's statement that 95 percent of the steward's department were German aliens, the affidavit from the chief steward states that—

"Out of a crew of 49 members in the steward's department on the S. S. *Ancon* at the time in question, there were only two (2) alien Germans with first papers and ten (10) naturalized citizens of German origin, who all spoke English. As regards their openly boasting of retaining their own nationality, such is not the case, as the above statement proves otherwise."

"As regards men taking a trip off when Mr. Price, shipping commissioner, signs on the crew, it is ridiculous, as the other commissioners do their duty just as well as Mr. Price, and all men in my department are qualified to sign on, and there have not been any violation of the U. S. immigration laws."

After investigation of this complaint, the Bureau can find no violation of the law, the shipping articles, or the regulations.

NO. 27. S. S. "SOUTHERN CROSS"

See complaints Nos. 108 and 32.

NO. 28. S. S. "SOUTHERN CROSS"

Seaman alleges that it is impossible to raise the lifeboats high enough above the deck to scrub the deck below; he further states that after several attempts they were unable to raise the boats high enough to scrub the deck properly.

Investigation of conditions aboard the *Southern Cross* in response to this and several other complaints which will be found throughout this report, indicates that the lifeboats are installed and equipped in accordance with the Bureau's regulations and applicable law and statutes. The remainder of the complaint concerns crew's quarters, and work of the seamen in general.

The investigation of crew's quarters indicates that all the air ports, etc., are fitted with proper glassess and dead lights.

An inspection under date of May 21, 1937, by a principal traveling inspector of the Bureau, indicates that crew's quarters on the above vessel are adequate and properly equipped in accordance with law and applicable regulations.

NO. 40. "SANTA CATALINA" [NOW "M. V. CHIMU"]

Seaman alleges that during the period from August 17, 1936, to December 1935, while he was quartermaster aboard the above ship, she carried only two men having lifeboatmen's certificates and that boat falls were in bad condition; that one of the falls carried away, causing a man to drown in the port of Pisco, Peru.

In investigating this complaint the Bureau secured an affidavit from Captain T. M. Williams, who is at present master of the above ship and was master of her during the above-mentioned periods. This affidavit states that, "* * * during this period all lifeboat equipment was in first class condition and at no time did we drop a boat, neither was there any loss of life. At all times the vessel carried the number of certified lifeboat men as required by the certificate of inspection. To the best of my knowledge, we never put any of our life boats in the water while in the port of Pisco, Peru."

On September 2, 1936, an inspector from the New York office examined the lifeboat equipment aboard this ship and found that the boat falls had apparently just been renewed and that the lifeboats were in good condition. It appears further that this ship was, during the period in question, operating from the Canal Zone to west coast ports of South America. There would, therefore, be no inspection other than that required by the Panama Canal authorities, and for this reason the Bureau cannot definitely refute the charges that boat falls were in poor condition at the time. Requirements, such as renewal of boat falls, and equipment and sundry like requirements, are everyday occurrences in the work of the local and assistant inspectors.

NO. 41. S. S. "WICHITA"

See reports #92, #93, #97.

NO. 42. "CITY OF HAMBURG"

The alleged conditions set forth in this complaint are covered completely in response to complaint No. 27, concerning the same ship.

NO. 44. S. S. "PRESIDENT HARDING"

Complainant alleges that safety valves on the above ship while sealed as required by the regulations of the Bureau are tampered with after the ship is at sea. He also alleges that repaired steam hoses are used in the engine room and that the men are required to work in the upper part of the engine room in hazardous conditions without proper protection. The complainant further alleges that #5 hatch has a fuel oil leak which constitutes a serious fire hazard.

Investigation of this complaint included a sworn statement made by Mr. Brennan, chief engineer. The allegations regarding safety valves and improper safety precautions were investigated by the local inspectors at New York on July 24. The charges were not sustained, and the complaint was dismissed. A complete record of this investigation is available in the local inspectors' office in New York. Investigation indicates that certain leaks did develop in #5 hatch tank top, but that such leaks were ordered repaired, which repairs have been made.

A further investigation of this complaint made by a traveling inspector from the Bureau indicates that a formal investigation of the matter was made on July 20, 1936, by the board of local inspectors at New York, and it was found that there was no violation of any rule or regulation.

The records of the local inspectors indicate that on March 4, 1936, the safety valves of this vessel were inspected and sealed by an inspector from that office. On July 18, 1936, the chief engineer of the *President Harding* reported by letter to the local inspectors that it was necessary to break the seal, while the vessel was at Hamburg, to make repairs to the safety valves, and in a letter to the local inspectors dated July 24, 1936, the chief engineer reported that it was necessary to break the seals on numbers 1, 2, and 3 boilers, due to the valves blowing at 257 pounds, thereby causing an excessive loss of fresh water. The allowed pressure of this vessel is 265 pounds. At the return of the vessel to New York the local inspectors made further examination of the safety valves, and all the springs in the valves were renewed, and the valves were set and sealed, and since that time have caused no difficulty.

Investigation also developed that new steam hoses were furnished this vessel every trip, and there was no occasion to use old or repaired steam hoses, and that all precautions were taken when any work such as painting or repairing was done in the engine department.

With reference to the complaint that there were oil leaks in the vicinity of #6 hatch, investigation developed that such leaks existed, but were not of a dangerous nature. Vessels of the *President Harding* type, due to the nature of their construction, which is the Isherwood System, work considerably in a seaway, which tends to start rivets, particularly in double bottoms and tank tops. These started rivets are caulked or renewed as soon as possible after it is noted that they are leaking.

NO. 45. U. S. "EXETER"

Seaman formerly employed as machinist aboard the above ship complains that the high pressure valve seats are in such condition as to be unsafe in view of the extremely high pressures which they carry. He found further, according to his complaint, that the condition of these valves is well-known by the inspectors of the Bureau and that they have neglected to do anything about it.

The local inspectors at New York investigated this case very thoroughly for the reason that the complainant holds at the present time a license issued by their office in the grade of first assistant engineer on steam vessels of any gross tons navigating any ocean. The local inspectors examined the chief engineer of the *Exeter*. The examination brought out that there had been some difficulty with one high pressure steam valve seat which was made of monel metal. The solution to the difficulty was found in renewing the valve and making it all steel.

Another witness examined was the first assistant engineer on the *Exeter* whose testimony indicates that two valves were found to be porous on examination but that the porosities were properly filled by welding. Both the local inspectors after examining these witnesses dismissed the case. The investigation shows no violation of law, the regulations, or the shipping articles.

NO. 46 AND 47. U. S. "SANTA ROSA"

The complainant states that while he was employed as a water tender on the steamship *Santa Rosa* on a voyage commencing October 9, 1935, and ending November 19, 1935, extensive work was undertaken in the boiler room of this vessel while the ship was at sea and at Mazatlan, Mexico. He indicates that he did not believe permission was granted to perform this work, consisting of renewing the superheaters and installing Foster-Wheeler economizer. He further states that on February 11, 1936, the same job was done by the shore gang at New York; that the vessel left New York on February 15 with the work uncompleted; that the engineers finished the job at sea; and that no tests were made by the Bureau.

The Bureau's records indicate that on October 9, 1935, blue prints describing this installation were submitted to the United States local inspectors at New York, and permission was requested to place the material on board the ship and perform the work on the west coast. The local inspectors replied that they had no comment to offer to the above procedure, which was carried out. The local inspectors at Los Angeles, California, issued an amended certificate to this vessel, permitting the use of three boilers. On November 21, 1935, the chief engineer of the *Santa Rosa* advised the local inspectors at New York that permission was granted by the local inspectors at Los Angeles to proceed on three boilers, pending completion of the work. Upon completion, a hydrostatic test of 430 pounds was put on the new work on Number three boiler and, after all tubes and connections were found tight, steam was raised in the boiler.

A review of the records on file in the office of the local inspectors at New York indicates that the work performed on board the *Santa Rosa* was only done after approval had been granted by the local inspectors, and with their full knowledge and consent. The Foster-Wheeler superheaters and economizers installed on this vessel are devices which have received approval of the Board of Supervising Inspectors of the Bureau.

It may be true that in the course of installing these devices there was some confusion in the boiler room. However, it was not of such a nature as would affect the safety of the vessel, and there does not appear to be any violation of the laws, rules, or regulations.

NO. 47. U. S. "CITY OF RAYVILLE"

Seaman complains that, while employed as oiler aboard the motor ship *City of Rayville*, he was required to wash paintwork and paint auxiliary machinery in the engine room while on watch. He further states that the engineer in charge of the watch was busy working on the lathe in the machine shop and that there was no one watching the engine.

There is nothing new or unusual in the practice which this man complains of. If the ship was being navigated in crowded waters or in a fog or during any other period when close attention to the throttle is necessary, the engineer in charge of the watch could be charged with negligence. The Bureau has under consideration the preparation of regulations of a new part in addition to the present regulations which will cover "operation." These regulations would cover such situations. The Bureau finds no violation of the present regulations, the law, or the shipping articles in the matter complained of.

NO. 48. S. S. "BLACK TERN"

Former water tender aboard the above steamer complains that the safety valves were tampered with in order to raise the steam pressure from 200 pounds, as set by the Bureau's inspectors, to 230 pounds. He further claims that upon returning to American ports the safety valves were again adjusted to below at 200 pounds.

The regulations of the Bureau have, since January 1, 1935, required safety valves to be sealed in order that they cannot be tampered with. On July 14, 1936, an inspector of the Bureau visited this vessel and found the seals on the safety valves intact with no evidence of tampering. If the seals are placed on the valves it is impossible to reset the blow-off pressure.

Inasmuch as complaint is not definite as to time, it is possible that the alleged occurrence took place before safety valves were required by the regulations to be sealed, i. e., January 1935. In this case it would be physically possible for the setting of the valve to be changed, inasmuch as it had not been officially sealed.

Section 4437, Revised Statutes, prescribes a penalty of \$200 fine, together with up to five years' imprisonment, for any person who intentionally changes the setting of a safety valve in such a way as to cause it to open at a greater pressure than that allowed by the certificate of inspection. From the evidence submitted, together with that adduced by the investigation, the Bureau finds no definite violation of the law or the regulations.

NO. 49. T. S. "EXECUTIVE"

Seaman complains of the conditions of the steering gear on the above ship on which he was employed during January 1936 stating that the ship steered so badly because of poor steering gear as to have several near collisions. He also complains of the marks on the engine telegraph.

Investigation of this complaint by the local inspectors of New York together with extracts from the ship's log book indicates that on the dates specified by the log book the ship was not where the complainant says she was. The complainant states that on January 17 she was in the Delaware River, while the log states that on January 17, 18, and 19, she was in Jersey City at New York at pier F. An extract from the vessel's log as set forth below together with a portion of the investigation:

Jan. 17, 1936. At pier F, Jersey City, N. J.; discharging.
 Jan. 18, 1936. At pier F, Jersey City, N. J.; discharging.
 Jan. 19, 1936. At pier F, Jersey City, N. J.; discharging.
 Jan. 20, 1936, 4 p. m. Inspected and tested steering gear, whistle, telegraph. All in good condition. Vessel sailed for Philadelphia.
 Jan. 21, 1936. Made fast to pier 25, Philadelphia, 8 p. m.
 Jan. 22, 1936. At Philadelphia discharging.
 Jan. 23, 1936, 4:30 p. m. Examined and tested steering gear, whistle, telegraph, and running lights. All in good order. Vessel sailed for Baltimore.
 Jan. 24, 1936. Philadelphia to Baltimore.
 Jan. 25, 1936. Arrived Baltimore, 9:13 a. m.; 2:50 p. m., examined and tested steering gear, telegraph, whistle, and running lights. All in good order. Vessel sailed for New York.
 Jan. 26, 1936. Proceeding to New York.
 Jan. 27, 1936. Arrived at New York.

It is noted that during the time as above, the steering gear and telegraph were tested at required times and recorded in good condition. Also there was no trouble with either. The telegraph is properly marked and distinct. On the dates specified in the complaint the vessel was at pier F, Jersey City, and not in the Delaware River.

The Bureau has on file the affidavits of both the master and chief engineer concerning the alleged deficiencies. The Bureau finds no violation of the law or the regulations.

NO. 50. "YOMACHICHI"

Seaman alleges that in 1931 the above steamer went ashore on the coast of Cuba due to the fact that the anchor gear was in such poor condition as to preclude the immediate release of the anchor.

Investigation indicates that this stranding was made a subject of an investigation by the board of local inspectors at New York on April 27, 1931.

"Testimony taken at investigation does not disclose any negligence or inattention to duties on the part of any licensed officer, and does show that the motor vessel *Yomachichi* while off Cape Maysi, Cuba, en route New York to Australia, after passing four and a half miles off lighthouse, engines became deranged and had to be stopped.

"With easterly wind, heavy swell and tide setting to the westward, vessel drifted toward the cape. Soundings were taken for anchorage, but not until vessel reached a position about one mile south of the lighthouse was bottom found at fifteen fathoms, when both anchors were let go. Vessel remained at anchor about three hours, until engines were repaired, but in getting under way, came in contact with the bottom and remained stranded until 10:57 a. m., January 22, a period of three days and seven hours, when vessel floated, assisted by wrecking steamer *Kellerig*, and proceeded to Guantanamo where survey was held and vessel proceeded to Balboa for permanent repairs.

"No persons were injured, and as no further action is deemed necessary, case is dismissed.

"(Sgd.) HECTOR R. CAMPBELL.
"JOHN W. WATERS."

NO. 51. S. S. "PRESIDENT MONROE"

Complainant alleges that while he was serving as a fireman on board this vessel during the period of December 22, 1934, to April 9, 1935, the bulkheads in fuel room leaked oil to the extent that at times there were 6 inches of oil in the bilges and a dangerous condition was created. He further states that there was a fire in the bilge while the vessel was at Singapore and that three fusible plugs were dropped in No. 5 Boiler.

Section 16 of Rule V, Ocean and Coastwise, requires the master of a vessel to report to the nearest local inspector upon arrival in port of any accident or casualty involving loss of life or damage to property. Section 4448 R. S. requires that licensed officers shall point out to inspectors any defects to hull, boilers, and equipment. Section 1-18-5, rule II, requires the chief engineer to report any changes or renewals of fusible plugs.

An examination of the records of the U. S. local inspectors at New York revealed that no report of any of the alleged occurrences had been made to the U. S. local inspectors. The port engineer and port captain for the Dollar Line at New York were interviewed and stated they had no knowledge of same.

A Mr. Louis E. Arvin was chief engineer of the S. S. *President Monroe* during the period in question and is now residing in Oakland, California. The U. S. local inspectors at San Francisco have been directed to contact Mr. Arvin and inquire as to his knowledge of the allegation. In the event that there was any violation of the law, rules, or regulations, the local inspectors at San Francisco have been directed to take appropriate action.

Relative to oil leaks, this has been a matter requiring constant attention on the part of the licensed officers and inspectors of the Bureau. Due to the construction of vessels of the *President Monroe* class, which are built on the Isherwood system of longitudinal framing, these vessels work extensively in a seaway, thereby starting rivets and causing seams to seep. This can only be remedied by re-riveting, caulking, and welding.

NO. 52. S. S. "MUNORLEANS"

Former watertender on the above steamer states that from March 31, 1930, to April 17, 1930, while he was aboard the ship, he found bulkheads so rusty that it was dangerous to chip them and that the steam lines were in a rusty and leaky condition and that the whole ship was a floating "mess." He further complains that the steam lines blew out endangering the lives of those on board.

There always have been operators who refuse to spend the amounts of money necessary to keep ships properly equipped and in a seaworthy condition. The law and the Bureau regulations require an annual inspection and at this inspection the ship's equipment is tested and examined to determine its fitness. However,

previous to 1935, the Bureau regulations did not require a thorough examination of auxiliary machinery, etc., on ships which were not maintained and classed in a recognized classification society, which society would subject said ship to a thorough examination and survey every four years. In 1935, the Bureau recognizing the need for such survey of unclassified vessels, placed in the Bureau regulations the requirements concerning special surveys. At the present time these surveys are being carried out by the local inspectors and as a result many ancient ships have been condemned.

The above-named ship, the *Munorleans*, was scrapped about two years ago.

NO. 53. S. S. "SELMA CITY"

With reference to this complaint a traveling inspector visited the *Selma City* at Brooklyn, N. Y.

The complainant alleges that he was employed as an oiler on this vessel and that he was required to do all kinds of work which he was not supposed to do. He also alleges that the firemen were required to do the same kind of work, washing paint, painting the fidley, etc. During this time the engineer on watch was seldom to be seen, being generally in the machine shop. He further alleges that the motorboat had a hole in it and that the boat deck also leaked into the crew's quarters. He states that he has been in this company for more than three years and has found it to be the practice of the engineers not to be present in the engine room during their watch.

The traveling inspector examined the engine room and machine shop, with particular attention to the location of the machine shop with reference to the operating platform. The chief engineer was questioned as to the amount of time the watch engineer spent in the machine shop. The machine shop on this vessel is on the upper platform on the port side about 20 feet in a direct line from the operating platform, and if it is necessary for the engineer on watch to perform work in the machine shop he has a full view of the engine room, the telegraph signal from the bridge, and the throttle. He is also able to observe the gauge glasses of the boilers. The chief engineer stated that when it was necessary for the watch engineer to go to the machine shop the oiler remained on the operating platform by the throttle.

With reference to the oilers and firemen doing other work other than their duties, the chief engineer stated that a wiper was carried who did all the necessary cleaning in the engine room, and the major paint work was done while the vessel was in port.

The chief officer stated that the motorboat had some repairs made in September 1936, that a new keel and two planks on each side were renewed. He said that at no time did he know of the motorboat having a hole in it.

There does not appear to be a violation of any law, rules, or regulations on this vessel.

NO. 54. S. S. "BLACK FALCON"

A former water tender on the above steamer complains that the safety valve seating was changed as soon as the ship cleared the harbor of New York.

Response to this complaint is similar to that of No. 48, the *Black Tern*. The complainant further states that the firemen were made to do other work while on watch, such as painting and cleaning bulkheads and boilers. He further states the crew's quarters aft were damp and crowded and that the crew worked a great deal of overtime.

Recent legislation requires a monthly examination of the crew's quarters by inspectors of the Bureau, and already owners have been required to improve living conditions, including toilets and washing facilities. In regard to overtime, recent legislation restricts the day's work at sea to eight hours per man.

NO. 55. S. S. "WEST KEBAR"

The complainant alleges that while laying in New York the boilers of this vessel were inspected and passed, and that less than 48 hours after the inspection two of the boilers let go. Consequently, the ship was delayed for two days. About six weeks after departure from New York two of the boilers let go again, and ten days later another boiler let go. The complainant alleges that insufficient fire and boat drills were held, and that the vessel was not equipped with a hospital. It was also alleged that the vessel ran aground and was refloated, and then proceeded to sea without a survey. It is also alleged that more than the total number of persons allowed were carried, and that there were aliens in the crew. An

Investigation of the records of the New York office indicated that an assistant inspector examined the boilers of this vessel on September 3, 1935, and ordered 40 tubes in the center boiler, 35 tubes in the port boiler, and 28 tubes in the starboard boiler. In a letter dated September 19, 1935, the local inspectors permitted this vessel to make one trip and within 90 days to renew the tubes in all the boilers. Upon return of this vessel to New York in December 1935, 620 tubes were installed in the boilers. After reviewing the records of the New York office, it is believed that the complainant, in using the term "let go" with reference to the boilers, meant that tubes blew out. This is a frequent occurrence on all vessels, and merely requires that steam be lowered in the particular boiler and new tubes inserted. In the matter of carrying extra persons, it was ascertained that it is a common practice on the African coast to carry stowaways from one port to another, and this is only done after permission has been granted by the local authorities. This vessel is required by law to carry only one radio operator.

An investigation made by the local inspectors indicated that this vessel was not equipped with a hospital as required by the act of March 3, 1897, and the Bureau has instructed the local inspectors to make an inspection of the ship, and if the vessel lacks heating and hospital space, to make a report in triplicate of the violation of the aforesaid act in accordance with circular 152.

Relative to aliens in the crew, during the period in question there was no restriction of nationality of unlicensed personnel.

A "C" Marine Investigation Board which investigated this complaint, found that drills were held regularly on this vessel except when the vessel was under way at night and working cargo during the day.

With reference to the charge that the vessel carried 48 persons over that allowed by the certificate of inspection and consequently was deficient in the number of radio operators, the investigation by the "C" Marine Investigation Board brought out that those 48 persons were laborers carried along the African coast for the purpose of handling cargo, and that they were not carried until the vessel had been examined and approval granted by the British authorities. This is a common practice on a great many freight vessels operating in tropical countries.

It was also developed that additional heating facilities had been installed in the crew's forecabin on this vessel.

It could not be established or proven that this vessel had been grounded at any time on the particular voyage.

Therefore, it appears that the only complaint which has a basis and fact is that the vessel was without a hospital and this is now having the attention of the Bureau.

NO. 56 U. S. "EASTERN PLANET"

Complainant states that on a voyage to Australia on the above steamer, the coal bunkers caught fire which necessitated that the crew work for eleven days to extinguish it. Complaint states that fire was due to negligence on the part of the ship owners "as they should have perforated steam pipes installed on the bunker deck, and periodically blow steam through the coal to prevent formation of gases."

Fires in coal bunkers are due to spontaneous combustion. In order to prevent such fires, the bunkers must be properly ventilated and the coal stowed away from the warm boiler casing. It is customary to make periodical examinations of coal when the bunkers are full in order to determine its temperature. If it is found that the temperature is excessive, coal must be shoveled over and ventilated. Fires in piles of coal are not uncommon occurrences, both afloat and ashore. In regard to complainant's statement that perforated steam pipes should be provided, it should be noted that the most dangerous thing which can be done to a pile of burning soft coal is to introduce steam, as the burning coal and steam will cause the formation of large amounts of inflammable gas.

The Bureau finds no violation of the regulations or law in connection with this case.

NO. 57 U. S. "MANHATTAN"

The complainant, Joseph McNuley, member of the crew on the U. S. *Manhattan* states as follows:

"What pressure was brought to bear on the local steamboat inspector who ok'ed the installation of a high pressure steam main with exposed flanged joint (405 lbs. pressure) in the back of and over the switchboard panel on the dynamo flats, in the auxiliary engine room. This switchboard panel controls the operation of the watertight doors, fuel service, motor driven fans, and the main lighting system throughout the ship. Were this flange to crack, it would disable the entire

switchboard panel. This flanged joint blew steam and water on the back of the switchboard panel and caused the automatic circuit breaker to shut off all the current. Serious damage was avoided by the quick action of an engineer and an oiler who were near the accident at the time. The emergency steam fuel service pumps have been proved inadequate to keep steam in port.

"Automatic checks are useless when maneuvering and have to be operated manually by the firemen on watch as this ship carried no watertenders. *Engineers order the firemen to either watch the water or pack up.* Air lock safety devices in the firerooms *do not work.* Several men have been hurt and there is a suit now pending for personal injuries because of these faulty safety devices. Both air-tight doors can be opened simultaneously without warning and are a constant hazard to life and limb. The only reason there are not more accidents aboard the S. S. *Manhattan* is due to the fact that most of the fireroom crew have been aboard since the ship was built."

(Signed) JOSEPH McNULEY.

The Bureau in investigating this complaint secured an affidavit from J. Mulcahy, first assistant engineer of the S. S. *Manhattan*. Mr. Mulcahy states as follows:

"I wish to report, in answer to your complaint by letter:

"1. That the starboard steam line in way of generator room is the original installation of approved material conforming with the requirements of the U. S. steamboat inspectors and the U. S. Navy Department.

"2. The power for the vessel does come through the main switchboard but there would be no danger of being without lights or sufficient power to keep the vessel safe at all times by the use of the emergency generator. This generator is located aft on "C" deck, well above the waterline and has an independent switchboard isolated from all steam piping, etc., conforming with all requirements of the U. S. steamboat inspectors and the U. S. Navy Department. The letter states that a joint blew out causing the breaker to trip out. I have been on this vessel practically all the time it has been in operation, and do not remember any such case.

"3. The automatic feed regulators are in first-class working condition and are kept in service at all times. While maneuvering we cut the feed check in as the floats are set to carry four (4) inches of water in gage glass while underway. If the fires are cut out on a stop bell the water will come up to the 4-inch level and stop. If a number of fires are lit the water will rise in proportion to the number of fires lit so as to avoid high water or priming; and as a safety measure the checks are cut in.

"4. The emergency steam fuel oil pumps are operated daily, are in good working condition, and have sufficient capacity to maintain steam in port or in an emergency.

"5. The airlock doors are equipped with bells and red lights for alarms; these are kept in first class working condition at all times. In my experience I have found that regardless of how many safety devices are in use, some one will always disregard the alarm or the red lights, and of course that is something we have no control over."

(Signed) J. MULCAHY,
First Assistant Engineer, S. S. *Manhattan*.

NO. 74. S. S. "PHOENIX"

Seaman formerly employed on the above tank steamer complains of insufficient ventilation stating that port holes in the forecabin are blanked off and that this condition has caused several men to come down with tuberculosis. He further states that this vessel has blown up twice killing four men; that the steward's room above #4 tank is untenable on account of gas fumes. The seaman states he made a trip on the above steamer between May 4 and 21, 1935.

Investigation of the local inspectors of New York is quoted below together with the master's affidavit.

"Complaint #74 against S. S. *Phoenix* has been investigated and sworn statement of B. H. Larsen, master, is attached. At the time mentioned the air ports in the crew's quarters forward were blanked. Since that time the load line has been fixed reducing the amount of cargo carried, with the result that new ports have been replaced in the forecabin. At the time stated, ventilation was made by the cowl ventilators, electric fans, and the companion way which at times might have been inadequate. New tank vessel regulations are now being enforced and this vessel is subject to making changes that will improve safety and living conditions."

Portion of affidavit of B. H. Larsen.

"All airports in the firecastle were blanked off, but in July of this year 2 ports in the seaman's and 2 ports in each forecastle are still blanked. There is a 12-inch cowl ventilator on the center line which serves both forecastles, also a 4-inch cowl ventilator and an electric fan in each forecastle.

"I know nothing about any seamen being in a hospital with tuberculosis.

"During my service on this vessel we had a fire in about 1926, which was reported to and investigated by the local inspectors at New York, also an explosion in the forward pump room, which was reported to and investigated by the local inspectors at Boston in 1925. The chief mate and second assistant engineer were killed by the explosion. The above are the only cases of this sort that are known by me.

"There are staterooms in the midship house over #4 tank, which rooms have port openings, which if open during loading cargo might permit the inflow of gas fumes."

The requirements of the recently promulgated rules for tank vessels together with the coastwise load line regulations will go far toward correcting the conditions complained of.

NO. 58. S. S. "SACRAMENTO"

Complainant states that (1) evaporator on this vessel was full of large holes and it was impossible to use it.

Many ships are fitted with an evaporator to supply by distillation from sea water, additional make-up feed water for the boilers. Many companies, however, do not use the evaporator as it is more expensive than the cargo carrying capacity lost when such make-up feed water is carried in the double bottom tanks. The fact that the evaporator was unserviceable does not indicate that the ship was in any respect unseaworthy or unsafe.

(2) Complainant states that it was impossible to sleep in the fo'castle due to the banging of the anchor chain in the hawse pipe.

Cooperation on the part of the sailors and firemen occupying the fo'castle would have easily remedied this situation. Old burlap, stuffed down into the hawse pipe to prevent the motion of the slack chain inside the pipe and the tightening of the chain stoppers would have prevented the noise.

NO. 59. S. S. "PAPOOSE" (TANK VESSEL)

It is alleged that the ventilator passing through the carpenter's and bo'swain's room is corroded and the resultant opening allows large amounts of gas from the cargo tanks to pass into the quarters.

The complaint was investigated by the local inspectors of Galveston on July 7, 1936. It was found that the ventilator complained of was in fact corroded, and that it did lead to what is termed "a dry cargo space." This space is, however, on top of tanks used for oil and gasoline cargoes. The inspectors required that for the present the opening of the ventilator into the dry cargo space be blanked off tight. This allowed the ventilator to be used as an air conductor from the fo'castle head to the bo'swain's and carpenters' room. The owners were instructed to install a new ventilator as soon as it is convenient to do so and to advise the local inspectors at Galveston when the installation is made, in order that they may examine and approve it.

Under date of October 16, the Bureau was advised by the local inspectors at Galveston that they had on October 15, inspected the ventilator and found it satisfactory.

NO. 61. TANK STEAMER "CITIES SERVICE OHIO"

Seaman complains that during the month of October 1934, while he was employed as an ordinary seaman on the above ship, he was working under the orders of the mate cleaning the overhead on the port side of the midships house, he was injured and laid up for three and one-half months. He further states that at this time the weather was rough and that in spite of his protests, and those of other members of the crew, that the work was dangerous, the mate ordered the work to be continued. He states that at approximately 1:30 p. m. on October 20, the heavy seas swept the deck and knocked him and two other men down. The seaman states that he was admitted to the Marine Hospital at Stapleton, Staten Island, New York, and was operated on for a double hernia. He states that when the ship reached Boston, five days after the accident, he was fired.

The investigation shows that the seaman was admitted to the hospital at Staten Island on November 18 and that he was operated on for bilateral inguinal hernia on November 19. He remained in the hospital until December 14.

The Bureau has no record that this accident was reported to the local inspectors. However, in 1934 the law did not require such accidents to be reported.

Recent legislation requiring coastwise vessels to be marked with load lines and the regulations placed in force during 1935 will go far to prevent occurrences of accidents of this nature. Before this legislation was enacted, coastwise vessels could be loaded as deeply as the owners thought safe and many were loaded so heavy that the deck was not a safe working platform for the crew.

Load-line regulations have been promulgated in order to (1) prevent excessive damage to the ship's structure and the entry of water into the ship's hull through openings in the weather deck, (2) to prevent damage to hatches located on the weather deck which might allow water to enter, (3) to provide a safe working platform for the crew in bad weather in order to insure that the ship may be properly maneuvered.

NO. 52. S. S. "IROQUOIS"

The complainant alleges that he was required to work from 5:30 a. m. until 11:00 a. m.; from 11:45 a. m. until 3:30 p. m.; and from 4:00 p. m. to 9:30 p. m. As there is no law covering the hours of duty of persons employed in the steward's department, the local inspectors were without jurisdiction and took no action in this matter.

An inspector from the New York office made an examination of the crew's quarters of this vessel and found that with one exception the quarters for the seamen and firemen complied with the law and rules and regulations. In the steward's quarters there was evidence of overcrowding. This matter has been brought to the attention of the owners, who are arranging to correct same by removing certain staterooms and assigning that space to the crew. In the matter of toilets and wash rooms, this subject is receiving the special consideration of the Bureau with the view of improving conditions.

NO. 53. S. S. "SANTA CLARA"

(1) Seaman Jean Lindsay, evidently a waitress on the above ship, complains and condemns the law which allows 33% of the crew's members on American ships to be alien. She asserts that the ships of the Grace Line, of which the above ship is one, carry more than 100 Chinese in the stewards department and that these men cannot understand English and therefore are a potential hazard in time of emergency.

The complainant is not informed exactly as to the laws of the United States applicable at the time the complaint was made. At that time the law required that 75% of the ship's crew be able to understand any order given by the officers of such vessel. The 74th Congress, however, amended section 13 of the Seaman's Act, changing this requirement to read "75 percent of the crew excluding licensed officers shall be citizens of the United States, native born or completely naturalized, unless the Secretary of Commerce shall, upon investigation, ascertain that qualified citizens are not available when, under such conditions, he may reduce the above percentages."

(2) The complainant states that the chief steward was deaf to the appeals of the crew for clean food and that she failed to inspect the quarters of the deck, engine, or stewards' departments. She further states that the working conditions in regard to hours are such as to cause considerable dissension between the alien and American members of the crew and further contends that the conditions as a whole are a menace to safety at sea.

Investigation by the local inspectors at New York together with an affidavit from Margery R. Delano, service director or chief steward on the above ship, indicates that the complainant's statement in regard to the food and also the number of Chinese carried is in error. The chief steward states that she has received no complaints in regard to the cleanliness of the food and that the master of the ship inspects the galley daily. She further states that during her three years' service on the ship there have never been more than 32 Chinese carried and that these men spoke English as well as Spanish.

In connection with this complaint, the Bureau finds no violation of the law, the regulations, or the shipping articles.

NO. 54. S. S. "SANTA PAULA"

Seaman complains that during the period from January 28 to April 24, 1935, while he was an ordinary seaman and when quartermaster on the above ship, the watchmen were required to perform other duties such as pantrymen, bootblacks,

and room steward, and that for this reason they, of necessity, neglected their duties as watchmen. The complainant further states that these men did not wear distinguishing caps or arm bands and that they were working under the orders of the steward's department. The complainant charges direct violation in this respect of the Bureau rules and regulations.

In investigating this complaint, the Bureau secured an affidavit from Captain Alf Adler, master of the S. S. *Santa Paula*, which is quoted below:

"With reference to the complaints which have been filed in your office regarding night watchmen aboard the S. S. *Santa Paula*, I wish to advise that during the entire time I was master of this vessel the night watchmen reported to the bridge at least once every half hour, which can be substantiated by entries made in the ship's log book, signed by the officer on watch. At no time, to my knowledge, did these watchmen act as night stewards or shoe polishers." (Signed) ALF ADLER, Master.

In connection with the complainant's statement in regard to violation of the rules and regulations concerning distinguishing caps or arm bands, investigation brought out that this regulation was not being complied with and the master and operators were instructed accordingly by the local inspectors at New York.

NO. 65. S. S. "MANHATTAN" AND "AMERICAN SHIPPER"

The seaman complains of the food and quarters provided on the above ships stating that the food is "lousy" and that the forecables are not fit for a pig.

Complete investigation of both these items on the above ships will be found in complaints Nos. 31, 83, 84, and 85, and other complaints concerning the S. S. *Manhattan*.

NO. 66. S. S. "MANHATTAN" AND S. S. "WASHINGTON"

Seaman complains that sailors' fo'c'sle on the above steamers are only ventilated by air ducts which fill the air with dust, and that the port holes are so close to the water that they must be kept closed all the time. A traveling inspector from this Bureau made a voyage across on the S. S. *Washington* about two months ago. From his report and other reliable information it appears that the seaman's statements in regard to closing of port holes is correct. The ventilation provided by the air ducts is not entirely satisfactory, inasmuch as the air is not properly disbursed throughout the room, in some cases blowing directly into the seamen's bunks.

The Bureau is preparing administrative instructions to inspectors in connection with the minimum requirements to be complied with on all vessels to secure adequate, comfortable, and sanitary crews' quarters.

The S. S. *Washington* is a sister-ship of the S. S. *Manhattan*.

NO. 67. S. S. "WASHINGTON"

Seaman complains (1) of the ventilation of the sailors' fo'c'sle and the crowded conditions and also mentions that in his opinion there are insufficient emergency exits. (2) He also complains that last winter the port lights in the fo'c'sle were broken by the sea. (3) Seaman further complains that "working conditions on unionized ships who signed the Union's agreement, usually works from 12 to 14 hours daily."

1. See No. 66.

2. All ports on the deck below the bulkhead deck are provided with dead lights—i. e., blank steel covers which can be screwed down over the glass so that in case the glass is broken by the sea, water cannot enter. Undoubtedly if the glass broke when the dead lights were not screwed down, the entrance of water made conditions very objectionable for the time being, however, the occupants of the fo'c'sle themselves can and do look after such matters.

3. Traveling inspector of the Bureau made a trip on the S. S. *Washington* during July and reports that all persons in the deck and engine departments are on a three-watch system—i. e., 8 hours work per day. The deck department is required to work overtime when entering and leaving port. For this overtime they are given extra time off in New York and Hamburg.

In the stewards' department, however, there is no question but what the hours of work sometimes run to 14 and 16 hours per day in many cases. The present law, under which the Bureau functions, provided no remedy for this situation nor does the recent legislation, which places the deck and engine crew on all ocean vessels on three-watch—i. e., 8-hour day basis.

The other members of the crew—stewards, waiters, cooks, etc.—may be worked any number of hours, and steamship operators have employed, paid, and worked these men on the same basis as the help employed in hotels ashore. There is, however, a considerable difference, inasmuch as a very high percentage of the crew aboard a large passenger vessel is composed of members of the stewards' department. For example, on the *S. S. Washington* the total crew, including licensed officers, is 549 of which 413 are in the stewards' department. It will be seen that it is less evident that about 75 percent are cooks, waiters, stewards, etc. In the event of disaster or in emergency, complete dependence must be placed upon members of the stewards' department in awaking passengers, maintaining order, and leading the passengers to the boats or other places of safety.

For this reason alone, the Bureau is of the opinion that additional attention must be given to the living quarters, working hours, and conditions of members of the crew other than the deck and engine force. In order to intelligently prepare legislation which will carry out this intent it will be necessary to spend some additional time in making a study of the hours worked, the wages paid on passenger ships operated under the United States flag. The legislation which created the Maritime Commission provides under Title III, American Seaman, in section 301 (a): "The Commission is authorized and directed to investigate the employment and wage conditions in ocean-going shipping and, after making such investigation and after appropriate hearings, to incorporate in the contracts authorized under titles VI and VII of this act, minimum-manning scales and minimum-wage scales and reasonable working conditions for all officers and crews employed on all types of vessels receiving and operating in differential subsidy."

NO. 68. GENERAL COMPLAINT BY FORMER COOK OR SCULLION ON THE SHIPS OPERATED BY THE U. S. LINES

He complains of long working hours (12 to 14) and the fact that he slept in a room with twenty-five other men, which was improperly ventilated.

The statements made above in connection with conditions on the *S. S. Washington* apply equally to this case.

NO. 69. S. S. "STEELORE"

Seaman complains as follows:

"Pertaining to conditions on the *S. S. Steelore* of the Ore Steamship Corp., on which I was employed as storekeeper (engine room) from May 9, 1934, until July 30, 1934.

"As to Food and Quarters

"1. Food unbelievably rotten at many times; the stench from it while being cooked was sickening; impossible to eat; very little change in menu.

"2 Quarters filthy with bed bugs and cockroaches. When the crews asked to have the quarters fumigated, they were told 'there was no time to do it.'"

The local inspectors at Baltimore called the master of this vessel for a hearing in order to secure testimony concerning the complaint. The master testified under oath that he had never heard of any complaint in regard to the bed bugs or the food. The master further states, under oath, that the company employs an exterminating concern to fumigate the ship every voyage. The local inspectors secured statements from seamen now employed aboard this vessel which indicate there are no complaints at the present time. The inspector examined the crew's quarters and other inhabited portions of the ship, together with the cold storage compartment. The report of this inspector indicates these spaces were especially clean and well-kept. The inspector found that the quarters were larger than required by law and in every way comfortable and clean and that the wash rooms and toilets were adequate and well-ventilated.

After investigating this complaint the Bureau is of the opinion that while during the period complained of there may have been some vermin in the crew's quarters, this condition has been satisfactorily corrected. Recent legislation which provides monthly inspection of crew's quarters will go far to prevent re-occurrence of the conditions complained of. The Bureau finds no violation of the law or the regulation.

NO. 70 S. S. "WILLIAM G. WARDEN"

Seaman complains of the food, ventilation of the fore-castle, and the mess room.

Investigation by inspectors from the New York office reveals that all the quarters for the crew aboard this vessel are well within the requirements of the law, and that according to the statement of the inspectors, the ventilation is adequate

Inspectors could find no indication of a large turnover in the crew, which would be indicated if the food were poor.

The quarters, wash room, toilets, etc., were in clean and satisfactory condition.

NO. 71. S. S. "CORNELIA"

Seaman complains that living conditions on this vessel are intolerable, stating that the quarters are crowded; that the mess room was so small it was necessary for the men to eat in two shifts. It further states that the food was cold and unappetizing; also complains of the amount of overtime work.

An investigation of this complaint made by the local inspectors at Baltimore indicates that the quarters are not in compliance with the Seamen's Act inasmuch as the number of square feet of deck space per man is under that required by law. The local inspectors immediately took steps to correct this situation and it was corrected by cutting down the number of men in the sailors' forecabin from 7 to 6 and placing the extra seamen in the firemen's forecabin which has ample deck space and cubic capacity.

Further examination of the crew's quarters and the mess rooms, galleys, toilets, etc. throughout the vessel show that at the time the investigation was made on August 1, 1936, that these spaces are clean and well-kept.

Investigation of the size of the mess room indicates that only 13 men can eat at one time. However, the men are fed in two shifts and one-half hour apart when the vessel is in port. At sea with one-third of the crew on watch, there is plenty of room at the tables and meals are served at regular times.

The master stated to the local inspectors that during the time the complainant refers to, the ship was plying between New York and Fort Pierce, Fla., and that he recalls no complaint from any member of the crew of the food and living conditions during that period.

During the period complained of the provisions of the Seamen's Act required only a 3-watch system in the engine department; allowing a 2-watch system on deck which would mean a 12-hour day. The Seamen's Act as amended by the 74th Congress now requires that the 3-watch system be adhered to, making a maximum of 8 hours.

NO. 72. S. S. "SANTA PAULA"

This complaint is fully covered under complaint No. 64 involving the same ship.

NO. 73. REFERS TO SHIPS OPERATED BY THE CITY SERVICE COMPANY

Seaman complains of poor living conditions on American ships and refers particularly to a City Service ship which he does not name. He complains that the forecabin were flooded with water in rough weather; and that the bread was filled with cock roaches; also that the forecabin were crowded and poorly ventilated.

Due to the fact that the complainant names no particular ship, the Bureau cannot answer directly. However, it can be said that the Coastwise Load Line Act which affects tank steamers of the type operated by the City Service Company will undoubtedly aid in making the crew's forecabin more comfortable inasmuch as these vessels will not be loaded as deeply as before its promulgation.

Many times forecabin, even though tight with all ventilators well batten down, become wet because the vessel ships an especially large sea which pours down through the ventilators and ports which have been left open for ventilation.

It is true that cockroaches will be found in mess rooms of many ships and a continual war is waged by steward's department of ships operated by the better companies to eradicate such vermin. Bread and other edibles are left on the tables in the lunch rooms at night as a night lunch and many times a man coming on watch will find cockroaches in the bread and in the butter.

In regard to the crowded condition of forecabin and poor ventilation, the monthly inspection of crew's quarters by inspectors of this Bureau, as required by section IV of Public, 808, enacted by the Seventy-fourth Congress, will go far toward improving conditions complained of and form a basis for new rules and regulations concerning the size and ventilation of such quarters.

NO. 75. GENERAL

This complaint covers the American Merchant Line. Seaman complains of crews' quarters and the working conditions.

Investigation of complaints Nos. 117, 34, 25, 120, 65, 83, 84, 85, 31, and 99 covers similar conditions on specific ships of the American Merchant Lines.

NO. 76. S. S. "WASHINGTON"

An employee of the steward's department on the above ship makes detailed complaint concerning the working conditions, and working hours in the steward's department.

The Bureau in investigating this complaint has secured an affidavit from the chief steward of the ship, which is quoted below:

"I wish to answer your inquiries regarding certain complaints on board the S. S. *Washington*, and take up some of the points mentioned.

"First, the muster on sailing mornings: We have the muster at 6:00 a. m. so that we can see who is absent and have the vacancies filled before sailing. After checking in the men go to dress and have their breakfast. At 8:45 we have a dress muster which takes the men about fifteen minutes; this is to see that they are all clean and everything is in order. After this muster the men are assigned to stations to meet the passengers on the gangway and to carry hand baggage, which the majority of the men like to do as they make a little extra money though doing so. This is also a part of a steward's routine on sailing days.

"At cross channel ports the men handle mail at Cobh and Plymouth and only a small percentage of the men are on this job, generally about ten or fifteen taken from the various classes; the only exception is at Xmas time when the mail is heavy when all hands are on this work. The men sign the articles to handle mail.

"Sometimes we arrive in cross-channel ports at a late hour and we receive our passengers on arrival. The bedroom stewards and waiters then handle the hand baggage.

"Regarding the hours worked when there are two sittings in the dining rooms, only a limited number of men have two sittings and these are generally steady men and thus increase their earning capacity.

"In the tourist and third class the meal hours are generally finished by 8:00 to 8:30 p. m. and in the cabin class from 9:00 to 9:30 except when a man has a late party.

"When the men are on stations for breakfast the men have very little to do as very few breakfasts are served in the dining room as most of the passengers are served in their rooms.

"As this is a new modern ship there is very little real hard work except in looking after the passengers, which any man expects if he wishes to make a living; there are no scrub-outs done in the morning.

"While the men put in extra hours receiving passengers and disembarking passengers, they receive four days leave in Hamburg.

"Regarding linen for the crew, we have printed lists posted showing the days and times when linen can be drawn (a copy of which is enclosed) and if linen is really needed at any other time, it can be got.

"In regards to meals for the men, most of the men take their meals standing up in the kitchen and prefer to do this as they say that they can often get a little extra which they could not do in a mess room where they would be tied down to a bill of fare. In the ports of Hamburg and New York the men have their meals in the third class dining room.

"The crew quarters in the ship are well ventilated and a number of the ventilators have been covered over by the men to keep out the cold air. It is true the laundry is near the crew quarters, but it does not interfere with the comfort of the men owing to the good ventilation.

"Regarding the breakages of crockery in the kitchen, we would be happy to see this percentage reduced, but there is always a high percentage on account of having inexperienced dishwashers.

"It is quite true that there is a great deal of German spoken on this ship, but orders are not given in German, and I, myself, do not speak or understand the language. The main reason for German being spoken, especially in the third and tourist class is the number of German speaking passengers carried there, and it is necessary to have to be able to talk to them in their own language, as they do not speak English; on our last voyage we had about 250 Jewish refugees from Germany. In the dining room and public rooms German is spoken a lot by the passengers and by the men who take care of them.

"To prove that conditions are not as represented in the complaint the men on the ship seemed very satisfied and the turn-over on this ship is very, very small indeed, which can be checked by the company's records; most of these changes take place amongst dishwashers and utility men in the kitchen and are mostly here for one trip. This ship has a percentage of 88 percent American citizens. Out of the 275 men in the stewards' department there were only seven men who had no first papers, and these are being changed to meet the new regulations.

"On our last voyage we had with us the Honorable Secretary of Commerce, Mr. Roper, and this voyage there were the delegates to the Labor Conference. All of these gentlemen inspected the ship and the crew's quarters, and they were very satisfied with what they saw there. Captain Fried, the head of the Steamboat Inspection Service, was master of this vessel and he used to regularly inspect the ship.

"I think that you will find that the majority of these complaints are turned in by men who are not first class men, and who are not willing to put in the routine which stewards have to do to earn more money.

"Trusting that these explanations will be to your satisfaction,

"Yours very truly,

(Signed) "DAVID ROBINSON,
"Chief Steward."

(Sworn to before notary.)

In regard to stewards and waiters eating standing up, there is no real excuse for such a condition, and inspectors of the Bureau on the *Washington* have noted that while many men eat standing up, as many more eat at the tourist dining saloon at the tables after the passengers have finished.

The whole situation of hours, wages, and working conditions in the steward's department on passenger ships of the type of the *S. S. Washington* is not under the present law within the jurisdiction of the Bureau. The Maritime Commission is required under the act creating it to investigate such conditions and recommend minimum wages and hours.

There is no doubt that on ships of this size and class the majority of the stewards' department work from 12 to 14 hours per day and sometimes more. It should be noted through the affidavit of the ship's chief steward that excuses given are wholly economic, that is that the men work these long hours in order to earn more money, etc. Persons conversant with conditions on Atlantic passenger vessels know that nearly all of the personnel of the stewards' department aboard are what are known as "politicians" and are engaged in some kind of legitimate or sometimes illegitimate "racket," such as assisting passengers to distribute articles bought in foreign countries on the customs declarations of other passengers, exchanging marks and francs for dollars, vice versa, dealing in blocked marks and other remunerative side-lines. It is not suggested that these are good practices or that they can be used to justify other conditions. A thorough-going investigation under the direction of the Maritime Commission will undoubtedly indicate the necessary regulatory action to be taken.

NO. 78 AND 79. "ORIENTE"

Waiter formerly employed in the above ship complains of long working hours in the steward's department and states that these long working hours are prejudicial to safety at sea.

This complaint is the same as others in the Curran file and as before stated the Bureau has no authority to regulate working hours of the steward's department. There is, therefore, no violation of the Bureau's regulations, the law, or the shipping articles.

NO. 80. S. S. "WASHINGTON"

Former member of the steward's department on the above steamer complains of the crew's quarters, the food, and the boat drill. In regard to the boat drill he states that in four trips he has never seen the boats lowered to the water's edge.

In connection with the crew's quarters and the food, see similar complaint Nos. 76 and 77 and investigation thereof.

In regard to the boat drill, as before stated there is no requirement in the regulations to require boats to be lowered to the water's edge at boat drills. The regulations do require this to be done at annual inspections in the presence of the Bureau's inspectors.

NO. 81. S. S. "CITY OF FLINT"

Seaman complains of the hours of work aboard the above ship stating that men worked continually for 21½ hours, etc.

Provisions of Public, 808, requiring a 3-watch system and an 8-hour day will take care of the conditions complained of.

NO. 82. S. S. "DIXIE"

Seaman complains that steering arrangements on this vessel are such as to endanger the lives of passengers and crew, i. e., steering gear is electric and depends upon the continuous operation of the ship's main generator. Seaman also cites the particular collision in which this ship was involved which was due to the failure of the main generator.

Facts surrounding the collision cited have been investigated and the investigation substantiates the seaman's complaint.

An inspector of the Bureau boarded the *Dixie* and witnessed a test of the steering gear and also a shift from main to auxiliary gear. As a result of the Bureau's examination, an article was written by an engineer attached to the Bureau, which appeared in the Monthly Bulletin of May 1937. The article stressed the necessity of keeping two main generators running in on the line when ships having the type of gear with which the *Dixie* is fitted are being navigated in close proximity to other vessels or in a fog.

NOS. 83, 84, AND 85. S. S. "AMERICAN SHIPPER"

Seaman, in an extensive statement, complains of hours of work, condition of messroom, and conditions in general.

The Bureau, in an investigation of this complaint, secured a signed statement from the master concerning crew accommodation. The seaman complains that he was logged before the shipping commissioner in New York.

Examination of the records of the shipping commissioner indicates that the man was logged for refusal and failure to perform his work.

In regard to the crew's quarters, hours of work, etc., provisions of Public, 808, requiring monthly inspection of crews' quarters and an 8-hour day for seamen, will go far toward correcting conditions complained of.

NO. 86. S. S. "PRESIDENT POLK"

Seaman complains of the quality of food served aboard the above steamer, stating that it is improperly cooked and that in one instance many were stricken with ptomaine poisoning.

The navigation laws prescribe the form of articles of agreement which include a scale of provisions and allowable substitutes. The law does not prescribe any definite remedy for the deviation from this scale or the improper preparation of the items listed.

The Bureau finds no violation of the present law or regulations. Had the seaman presented a complaint regarding the food to the shipping commissioner, some remedial action might have been taken.

NO. 87. S. S. "CALIFORNIA"

Steward complains that the above ship has no proper place for the stewards to eat and that they have to eat in the pantries standing up.

The condition which this man complains of is prevalent on most large passenger ships as they have been designed without proper space and accommodation for the stewards to work and live in. To correct this condition will take some time as most of the men have become accustomed to it and accept it without question. This condition is similar to the accommodations provided in large hotels, except, of course, that the men in hotels can go outside.

The Bureau now has under consideration the preparation of a set of instructions for the inspection of crews' quarters and crew accommodations which will cover messrooms and their equipment, the minimum requirements, etc.

The Bureau feels strongly that these conditions should be corrected, but until minimum requirements are laid down and enforced nothing will be gained by making temporary changes on a few ships.

There is quoted below an affidavit by the chief steward of the above steamer stating further pertinent facts in regard to this question.

NEW YORK, Oct. 13, 1936.

U. S. LOCAL INSPECTORS,
New York, New York:

Referring to investigation as to the working conditions in the steward's department on board the S. S. *California*.

In the case of the stewards having to stand in the pantries to eat their meals, I heard a half dozen of the stewards complain about this condition 12 months ago; I

immediately took steps to rectify this condition by making a regular stewards' mess in the tourist class dining room before the regular passenger meal hours, with a regular crew menu. This went on for several days, then several of the stewards came to me and stated that they would rather eat in the pantries as they had done previously, so we changed it back to the old routine, the crew eating in the pantry at their own leisure; I also had the same complaint on the last voyage of this vessel and I again made a mess in the tourist class dining room. After two days of this, the men again came to me and told me they would rather eat in the pantries. I then instructed Mr. Jones, the asst. 2nd steward to go down to the mess and take a vote from the men that wanted to carry on with the mess. Out of 120 men there were only 8 who wanted the mess; all the rest of the men wanted to go back to the old routine of eating in the pantries. So I discontinued the mess in the tourist class dining room.

In reference to serving late passengers and having to eat in the pantry when it was in the process of being washed down, it is not necessary for the men to eat in the pantry when they are washing down, because they can carry the food into the dining room and sit down and have their meals there.

Yours respectfully,

(Signed) CHIEF STEWARD, S. S. "CALIFORNIA."

Signed and sworn to before me this 15th day of Oct. 1936.

Notary Public, Kings County.

NO. 88. S. S. "SCHODACK"

Seaman complains that during a fire and boat drill on the above vessel it was found impossible to swing out any of the boats due to the fact that the davits were in such rusty condition that the bearings were frozen with iron rust.

Investigation by inspectors of the New York office reveals that extensive repairs were made to the boat davits of this vessel in June 1936. However, the inspectors secured a signed statement from Mr. E. Riis, chief officer of the vessel, to the effect that at no time since November 1, 1935, i. e., the time he has been aboard the vessel, has anything been wrong with the boats or davits. Evidently the occurrence of which the seaman complains happened sometime late in 1935 or early in 1936.

This vessel was inspected by the Baltimore inspectors on April 17, 1935, but inasmuch as she is a cargo vessel no real inspection was held except a drydeck examination between that date and her next examination, April 15, 1936, in New York. During that period it is perfectly plausible that neglected davit bearings might become inoperative.

Investigation, therefore, discloses no violation of the Bureau's regulations by the inspectors, but would seem to indicate that certain negligence in maintenance existed on the part of the operators.

NO. 89. S. S. "PRESIDENT ROOSEVELT"

Seaman complains of size, inadequacy of ventilation, and unsanitary conditions of crew's quarters. He also mentions that a large percentage of aliens, mostly of German extraction, are carried on this ship.

Investigation of this complaint indicates that the crew's quarters comply with the law in regard to volume and deck area.

Provisions of Public, 808, and preparation of instructions in regard to minimum requirements of crew accommodation should correct this situation complained of. Requirements of the law in regard to continuous discharge books and citizenship which are now in force will cut down the number of aliens employed on American vessels.

NO. 90 AND 91. S. S. "MANHATTAN"

Seaman complains of working hours in stewards' department on the above ship, the number of aliens employed, and the inadequacy of ventilation of crew's quarters.

No provisions of the law or the Bureau regulations apply to working hours of the members of the steward's department. The provisions of Public, 808, and the Ship Subsidy Act requiring at least 75% of the crew to be American citizens will go far toward correcting the condition complained of.

In regard to adequacy of crew's quarters, a traveling inspector of this Bureau made a trip on this steamer last summer and found quarters in compliance with the law. Several changes which he recommended in regard to ventilation were carried out.

NOS. 92 AND 93. M. S. "WICHITA," M. S. "CITY OF DALHART"

Seaman complains of the condition of the following equipment aboard the above ships: Lifeboats are not kept in repair and releasing gear unreliable; lifebuoys have insufficient buoyancy; rubber gaskets on deadlights missing, broken, or covered with paint; rusty and unsafe condition of blocks of the boom guys; complains in general that the annual inspections conducted by inspectors of the Bureau are neither thorough nor adequate. He also complains of the quality of the food. He further states that a great amount of overtime is worked, and that the crew is not divided into watches at sea.

Investigation of this complaint was made by an assistant inspector at New York. A copy of this investigation is quoted below:

"On investigating found hardly a single item of complaint worth considering. One cork ring buoy, life line, was found in bad condition. Tested worst buoy by attaching a 30-pound weight to same, then threw it from deck to water, a distance of approximately 20 feet, with no bad results. Crew's quarters were found clean, despite the fact that vessel had just completed discharge of dirty manganese ore.

"Chief steward was not on board. Ascertained from certain members of crew that fresh vegetables and fruit were frequently served. Sample menu is attached. Tested No. 2 lifeboat releasing device and found same operated satisfactorily under least expected conditions. Cargo gear very good, with exception of couple of guy blocks which could stand renewing. Second officer asserts that crew is divided into three watches while at sea.

"Port gaskets are mainly good. Mostly all are painted -something almost impossible to prevent, due to crew's tendency to paint everything. A few gaskets could stand renewing, but nothing to worry about.

"From all appearances, it is the opinion of this inspector that complaint is practically without foundation.

(Signed) "NATHAN LEVY."

"From chief engineer's statement, there has been no grievance in his department. Examined crew's quarters and found them clean and sanitary. From my observations, other departments seem harmonious. Examined machinery and equipment and consider them in a safe operating condition, with one requirement.

(Signed) "CHAS. MARTIN."

It will be noted that boom guy blocks were in bad condition and that some of the port gaskets needed renewing. Neither of these items are in this particular vessel covered by the provisions of law or the Bureau regulations. Port lights near the water line are vital to the safety of the ship. In case of the *Wichita* these port lights are in the house above the bulkhead deck.

Previous to the enactment of Public Law 722, approved June 20, 1936, the Bureau was without jurisdiction over motor ships of this type, except insofar as the inspection of the hull and boilers and requiring licensed pilots and engineers. Sec. 4426, R. S., specifically exempted motor ships from all other requirements of title 52.

NO. 94. GENERAL (U. S. LINES, AMERICAN MERCHANT LINES, PANAMA-PACIFIC)

Steward complains of over-work in stewards' department on American ships on the above lines and the inadequate ventilation in crews' quarters.

This complaint is identical with others already covered in this report. See #90 and #91.

NO. 95. S. S. "PENNSYLVANIA"

Seaman complains of the crew's quarters on the above steamer, stating that they are inadequately ventilated and that they are not provided with sufficient toilet facilities, also that ventilation is particularly bad during bad weather when the ventilators and ports must of necessity be closed.

Investigation of this complaint includes an affidavit by the chief officer of the above steamer, who states that the crew's quarters are inspected daily by the master and deck officers; that the quarters are supplied with hot and cold running water at all times and are ventilated by two large port holes and four cowl type ventilators.

Examination of the quarters by inspectors of the Bureau reveals that ventilation is somewhat inadequate during bad weather when ventilators must of necessity be closed. The statements previously made in this report concerning monthly inspection of crews' quarters and the necessity for establishing minimum requirements also apply in this case.

NO. 96. S. S. "DELECTO" (NOW "GOLDEN SWORD")

Seaman complains that the above steamer was, in his opinion, unseaworthy due to condition of the boilers, i. e., large number of defective tubes which leaked, requiring plugging and renewal.

Investigation of the complaint by inspectors of the New York office reveals that the ship's log bears out the seamen's statement that the boiler tubes were in a leaky condition on June 4, 1934. The ship was, however, granted a certificate of inspection by inspectors at the port of Boston on January 1934, at which time inspection records show that the boilers were submitted to tests and were found to be in a fit condition after the following orders relative to boiler repairs were complied with:

(1) Renew six staybolts in port boiler. Renew thirty-two rivets in port boiler. Clean and scale port boiler internally.

(2) Renew six staybolts in starboard boiler. Renew 5 boiler tubes in starboard boiler. Clean and scale starboard boiler.

The boilers were operated approximately five months from the time the vessel was certificated at Boston, Massachusetts, January 20, 1934, until the date of the complaint, June 25, 1934. If, during this time, salt water, oil, or grease, or a combination of each, entered the boiler, the tubes would become leaky and fail, and neither the Bureau or the Department can be held responsible, there being no apparent violation of the law, or the rules and regulations.

NO. 97. M. V. "WICHITA"

Seaman alleges he was placed on day work during voyage of the above vessel from San Pedro to Philadelphia, even though he was assigned to the 12 to 4 watch.

Inasmuch as this affidavit was made on April 23, 1936, the allegations of the seaman, even though true, do not constitute a violation of any statute or regulation administered by the Bureau. The provisions of Public, 808, now require that the sailors be divided into three watches; that licensed officers, sailors, coal passers, firemen, oilers, and water tenders shall, while at sea, be divided into three watches as nearly equal as possible, which watches shall be kept on duty successively.

Therefore, under the provision of law, no similar complaints should be received unless reported as violation by enforcement officers of the Bureau.

The Seaman's Act of March 4, 1915, required that sailors be divided into at least two watches to be kept on duty successively. The only remedy for violation of this act was that the seaman might demand his discharge. However, this has been remedied by the act of June 25, 1936, Public, 808, which assesses a monetary penalty against the master.

NO. 98. S. S. "PRESIDENT HARDING"

Seaman complains of sounding valve in the firemen's quarters which leaks gas from the fuel oil tanks.

A traveling inspector from this Bureau reported this matter on August 1936 and the valve was removed from the quarters, the sounding pipe being extended up through the next deck.

NO. 99. S. S. "AMERICAN MERCHANT"

Seaman complains that on the above ship lifeboats were repaired and painted inside while the ship was in London, and that the gear was not properly stowed inside the lifeboat when the ship sailed. He also complains about the food, the crowded crew's quarters, and the ventilation of the forecabin.

In regards to the repairs of lifeboats, the Bureau finds no violation of the regulations in making such repairs while the ship was in port. In regard to the crowded conditions of the crew's quarters, the ventilation, etc., previous statements in this regard, in this report, apply also to this complaint.

In regard to complaint about the food, statements made in response to complaint No. 86, *President Polk*, apply equally to this case.

NO. 101. "MANHATTAN"

Seaman complains about the method of conducting lifeboat drills on the above steamer; of the fact that the steward's department must eat in a hurry and many times standing up; and of the crowded conditions of the crew's quarters and ventilation of same.

See response to complaints concerning the S. S. *Washington* which is identical with the above. The *Washington* is a sister ship of the S. S. *Manhattan*. These responses are contained in complaints Nos. 66, 67, 76, 77, and 80.

NO. 102. S. S. "WASHINGTON"

Seaman complains of the crew's quarters, the food, and the inadequacy of the boat drill.

In regard to the boat drill he states that during four trips he has never seen the boats lowered to the water's edge.

See responses to similar complaints concerning the S. S. *Manhattan*, sister ship, in regard to failure to lower boats to the water's edge. The Bureau's regulations do not require that this be done except at annual inspection. During the regular fire and boat drill the boats must be swung out and made ready for lowering.

NO. 100. S. S. "EXETER"

Seaman complains of cramped quarters in the forecabin and that, due to improper ventilation, installation, and arrangement, the seamen cannot sleep in summer because of the heat, nor can they sleep in winter because of the condensation on the underside of the steel deck overhead.

An examination by an inspector of the New York office on January 21, 1937, indicates that so far as cubic capacity is concerned, the quarters of the crew of the *Exeter* are well within the requirements of the law. Insofar as the total deck area is concerned, it is adequate and in compliance with the law. Much of this area, however, is obstructed by lockers for seamen's clothing, etc. Report of the inspectors does show that insofar as deck area is concerned in some rooms, although the total floor area of the room is in strict compliance with the law, i. e., obstructed area plus open area, etc., the floor space available is insufficient for the comfort of the number of men berthed there.

Investigation of adequacy of crews' quarters is being conducted by the Bureau, and in the case of existing ships alterations are being ordered to correct these conditions.

As far as ventilation and heat are concerned, investigation indicated that these requirements are at a bare minimum. Investigation indicated that there was some leakage of the deck overhead and the inspector states that these matters were corrected. Insofar as condensation is concerned, this should be at a minimum as the steel inside the quarters is insulated with ground cork insulation.

The Bureau finds no violation of law and regulations in regard to crew's quarters on this ship.

NOS. 100, 103, AND 110. S. S. "EXETER"

An examination made by a traveling inspector of the steamship *Ezochorda*, sister ship of the steamship *Exeter*, was made for the purpose of examining the crew's quarters. Members of the crew who are now present on the vessel were questioned and stated that they had no complaint to make with conditions. The bulkheads in the quarters are steel and those on the outboard side and the under side of the deck were sprayed with cork paint to prevent sweating. There was no evidence of leaks or moisture in the quarters. Ventilation appeared to be ample through port holes, ventilators, and electric fans.

NO. 103. S. S. "EXETER"

See complaint No. 100.

NO. 110. S. S. "EXETER"

See complaint No. 100.

NO. 104. S. S. "PRESIDENT ROOSEVELT"

Seaman complains of crowded conditions in the quarters for the stewards and of the ventilation in same; also states that boat drills are not properly held, either in New York or in Hamburg. He further states that most of the crew are German.

In investigation of this complaint, the Bureau secured an affidavit from the chief officer of the above ship which is quoted below, as is the investigation of Bureau's inspector at New York.

Affidavit

"In reply to complaint against this vessel of voyage covering December 25th, 1935-Jan. 19th, 1936. I was on this vessel as chief officer, in which capacity I have served on this vessel from August 1934 to the present date. In reference to

complaint regarding gloryhole mentioned the statement made is greatly exaggerated.

"In the meantime, about three months ago, this compartment has been discontinued for the use of the crew and is at present used as a storeroom for the steward's department. Members of the crew assigned to this room are now quartered in converted section of third class passenger accommodation.

"In reference to boat drills mentioned in this complaint at that particular time of year it is possible that the weather was so bad that swinging boats on davits at sea would be dangerous to the men and gear; under such conditions boats or davits would not be swung, but in all cases where weather permits boats and davits are swung out. Mention of the boats not being touched for one year is entirely false as the boats are inspected frequently by officers of the steamboat inspection service as well as every trip at Hamburg where boats and gear are inspected by representative of the German Board of Trade. At this time when weather permits one or two boats are lowered to water and crew exercised at oars. Besides this I have all boats and gear examined and checked every voyage, and I personally see to it that boats and gear are kept up to the highest standard.

"In reference to the crew not being present at drill in Hamburg this is false as the German Board of Trade demands that all members be present except those absolutely necessary for safe operation of ship. In addition to this boats' crews are always checked from boat cards and missing members punished according to regulations.

"The statement saying that steward's department is 100% German is false. The majority of this dept. are German born but naturalized U. S. citizens and meet with requirements of the shipping commissioners.

"Respectfully,

WM. DOUGHERTY, Chief Officer."

[SEAL]

Investigation

"Complaint #104 against S. S. *President Roosevelt* has been investigated and sworn statement of Wm. Dougherty, chief officer is attached. The steward's quarters mentioned have been discontinued and outside rooms are now provided in another part of the vessel, said change being to provide more suitable quarters. Examination of records show that fire and boat drills were held regularly and that those conducted by inspectors of this service were satisfactory. The complainant made a voyage in the winter, at which time weather conditions often make it impractical to swing lifeboats on account of danger of damaging equipment and injury to the crew.

"(Signed) J. T. DRAKE,
"Asst. Inspector Hulls."

NO. 105. S. S. "CARPLAKA"

Seaman complains that crew's quarters are uninhabitable and unsanitary in that the crew's toilets are in such close proximity to the quarters that the stench is intolerable. He further alleges that boat drills were not properly held.

Investigation by inspectors at Philadelphia indicates that toilets are in close proximity to the mess room and quarters. However, the toilets were found to be clean. Stench, according to the inspectors at Philadelphia, is due to the fact that the toilets are continually flushed with water in which the vessel is floating, in Philadelphia this being river water which contains considerable amount of sewage. The inspectors state that when the vessel is at sea, no odor should be noticeable.

Under the provisions of Public 868, crew's quarters must be inspected periodically, and if possible, at least once each month. The Bureau is making every effort to correct conditions such as described aboard the *Carplaka*.

In regard to the allegation of fire and boat drills not being held properly, investigation shows that the master did miss two periodical drills, and for this reason he was reprimanded by the local inspectors conducting the investigation.

NO. 106. S. S. "HATTI"

Seaman complains that the space assigned for hospital accommodation as required by law was regularly used by messmen and others of the steward's department as quarters. The seaman further alleges that although he has been going to sea since 1931 he has never taken part in an actual boat drill where boats were placed on the water and the crew exercised in their use.

The investigation including a sworn statement by Captain Long, the master, reveals that on the voyage from New York on August 20, 1935, to the West

Indies, the ship had a full passenger list and additional men were assigned to the steward's department. The captain states that at this time it was necessary that these additional men occupy the hospital as no other quarters were available.

The last paragraph of the master's statement is quoted below:

"Since that voyage of August 20th, 1935, the crew accommodations on the *Haiti* have been rearranged so as to avoid any necessity for using the crew's hospital as sleeping accommodation. The space that was then used as hospital is now assigned to the quartermasters and two rooms aft that were formerly passenger quarters have been fitted up as a crew's hospital where the men can be better taken care of than they were in the old hospital."

The statement of the Bureau's inspectors bears out the master's statement that the crew's accommodations have been increased. At the present time she has accommodation for 106 members of the crew, including the master, every one of which is assigned a separate berth exclusive of the hospital space.

Investigation indicates that the ship was certificated for a larger number of crew for which she had proper accommodation.

Provisions of Public, 808, which require inspection of crew's quarters, etc., every month, will necessitate the promulgation of administrative regulations in this connection and such regulations, together with the inspections required by law, will correct deficiencies in amount and character of crew accommodation now existing.

NO. 107. S. S. "CAROLYN"

Seaman complains of excessive amount of overtime work aboard this ship and that it is necessary to work cargo day and night or forfeit their jobs.

The provisions of Public 808, enacted by the 74th Congress, which are now in effect, restrict the hours of labor on ship board to eight hours per day with certain exceptions. The provisions of this act will, it is hoped, go far toward eliminating excessive overtime such as is complained of by this seaman.

There is no violation of the law or regulations in force at that time.

NO. 108. S. S. "SOUTHERN CROSS"

Investigation of this complaint which alleges that the motor-boat davits were weak; that they were repaired at sea; that the food was poor; and that the crew's quarters were too cold to sleep in, reveals the following:

Regarding the boat davits reinforcement, reference is made to complaint No. 82.

As to the food, Mr. Gunderson, assistant inspector of hulls of the New York office, reports the following:

"Regarding bad food: Mr. Fluck the chief officer states that no complaints from the crew about food have come to him since the complaint of N. W. Christensen, he also states that at the time complaint was made about the food, the men complaining had returned from the shore intoxicated, one hour after the regular meal time and found the food of good quality in a steam table and more or less dried. On that particular day the supper consisted of frankfurters and sauerkraut, boiled potatoes, noodles, cold meat, lettuce salad, cake, jam, cheese, and coffee. Since that voyage this company has excluded frankfurters from all crew bill of fares.

"Regarding cold crews quarters: Examined crews focale and found two (2) new 20 chamber steam radiators had just been installed making a total of six radiators in the focale. There was one ventilator open to the atmosphere at the time and the starboard alleyway door was open. The temperature inside focale was 70 degrees F. The atmosphere temperature at this time being 42 degrees F. Therefore I consider these crews quarters adequately heated."

NO. 109. M. S. "CITY OF NEW YORK"

Seaman complains that chicken coops on the boat deck interfered with getting to the after davits of boats 5 and 6, and furthermore that the fire hydrants aboard the vessel were not painted a uniform color.

This complaint was dismissed without further investigation inasmuch as chicken coops as such can be disposed of in short order and in emergency.

There is no regulations of the Bureau which require fire hydrants to be painted a uniform color.

NO. 111. S. S. "J. N. PEW"

Seaman complains of laxity in maintenance of lookout aboard the above vessel, which being a tank vessel loaded with inflammable cargo, he cites as being an extremely hazardous practice, contrary to good seamanship.

Good seamanship would require that a lookout be maintained. However, it has long been the practice among seamen to call the lookout aft just before dawn to start cleaning up the wheel house and chart room. This is only done if the weather is clear and no vessels are in sight. A lookout is maintained at all times, but if in the opinion of the officer on watch no further lookout is necessary for the short time intervening, it is dispensed with.

NO. 113. S. S. "ORIENTE"

The complainant alleges that during the period from March 22 to April 14, 1936, school boys and cab drivers were shipped on this vessel, they having no certificates or documents whatsoever, and in order to get around the law, members of the crew were asked to submit their lifeboat certificates to the chief officer, who used them for the men who were shipped. An examination of the ship's articles for the period in question indicates that able seamen and lifeboatmen all held proper certificate. The Bureau's records indicate that the certificates were issued in due form to the holders who signed the articles. The shipping commissioner at New York stated that no certificate would be credited to a man on the articles unless the signature of the seaman in the lower left hand corner of the certificate corresponded with the signature of the seaman on the articles. There does not appear to be any violation of the law or any other irregularity on board this vessel.

NO. 113. S. S. "EXAMELIA"

The complaining seaman states that due to improper hatch covers he fell into the lower hold, sustaining serious injury. A review of the company's records in this matter indicates that this seaman did fall through an open hatch into the lower hold. The accident occurred about 10 30 a. m. on December 12, 1935, while the seaman was proceeding into the lower hold to examine bilges. It appears that the hatch covers were on on the upper deck and, consequently, there was little or no light in the 'tween decks. It being dark, the seaman was feeling his way along and missed his footing, falling through a space where a hatch cover had been left off. The seaman was placed in the American Hospital at Istanbul, and later returned to the United States on another vessel of the company. On arrival in the United States he was conducted to the Marine Hospital at Staten Island, remaining there from February 24 to April 28, 1936. The company's records indicate that all possible was done for this man, and that the court awarded him \$25,000 in damages. Copies of the reports in this matter, made by the master, officers of the ship, and the seaman in question, are attached hereto. The complainant also alleges that one George Jackson, third officer, fell in a similar manner and was awarded \$24,000 in damages. The company's records bear this statement out. There is no record in the local inspectors' office of this accident having occurred, such reports not being required by law at that time.

The *Examelia* is classified by the American Bureau of Shipping, and complies with their regulations governing hatch beams and covers. The Bureau has no specific rules or regulations governing the construction of hatches.

With reference to the statement that the complainant was able to push a scraper through the bottom of lifeboats, an inspector visited the *Examelia* on June 26, 1936, and examined all the lifeboats which were found in good condition except Numbers 1 and 3, and this inspector found that the necessary repairs had already been started on these lifeboats.

The chief officer of the *Examelia* was questioned by the local inspector as to whether he had borrowed a boat compass for any of his lifeboats. He denied all knowledge of this.

Drills held aboard this vessel by an inspector from the service demonstrated that the crew was well trained and the equipment in satisfactory condition.

NO. 114. SHIPS OF THE AMERICAN MERCHANT LINES

Seaman complains that ships operated by the American Merchant Lines, i. e., the *American Banker*, *American Trader*, *American Importer*, etc., are undermanned in the engine department in that only one fireman and one water tender are on watch in charge of six water-tube boilers. Seaman claims that two firemen and one water tender should be required.

Inspection records indicate that at all times the certificates of inspection of vessels operated by the above company have required sufficient firemen and water tenders; providing two firemen and one water tender on each watch.

The Bureau finds no violation of the rules and regulations. Had the complainant cited a specific ship and would have charged a violation, further investigation could have been made. In view of the fact that all the certificates of inspection require the crew cited above, the probability of the ship's being undermanned as charged is extremely remote.

NO. 115. S. S. "SANTA INEZ"

Former quartermaster on the above steamer complains that a large number of foreigners are shipped aboard Grace Line ships, in particular on the *Santa Inez*, and that fire and boat drills were exceedingly poor because the majority of the men could not understand English. He further complains that due to the various cliques of foreigners on board the vessel, the American citizens in the crew were discriminated against. He further invites attention to the fact that the *Santa Inez* carries passengers and mail and is subsidized. He further states that out of 96 in the crew, 40 were full fledged Americans. The complaint contains a further allegation that foreigners were given lifeboat and able-seamen certificates who did not have their citizenship papers and who could not understand the English language.

An analysis of this complaint shows no violation of the law or the Bureau's regulations in force at that time.

The Merchant Marine Act of 1936 will go far to correct the situation which the seaman complains of since subsidized passenger ships are required to carry a crew, 80 percent of which are native-born or fully naturalized American citizens.

The law does not require that a seaman be an American citizen in order to receive an able seaman or a lifeboat man certificate.

NO. 117. S. S. "AMERICAN BANKER"

Seaman complains of crowded and poorly ventilated crew's quarters, also the poor food. He further alleges that in a lifeboat drill one lifeboat could not be moved because the davit worm was frozen.

Investigation of this complaint by the local inspectors of New York reveals that the crew's quarters are of the size required by law and are suitably ventilated. The investigation further reveals that the same food is served the crew as is served the passengers.

The Bureau's file contains affidavits from the chief officer and the chief steward in regard to crew's quarters, ventilation, and also the food. The affidavit of the chief officer states that since his employment on that vessel in 1928 until the time of writing, November 9, 1936, he has had no difficulty with the lifeboats and lifeboat davits, and that they are all kept in good condition.

The Bureau finds no violation of the law or the Bureau's regulations.

NO. 118. S. S. "CALAMARES"

Seaman complains of size, condition of crew's quarters, improper ventilation, and further complains of boat drills which were apparently quite well conducted as the boats were actually placed in the water.

Investigation of this complaint by inspectors of the New York office indicates that the crew's quarters were of the size required by law and are properly ventilated.

Quoted below is portion of an affidavit from the chief officer of the *Calamares*:

"This company has always been much concerned that the best of conditions be provided for the crew. The crew's quarters have not been leaky at any time. The food has always been of the best and served by three messmen. Ventilation in crew's space is made by two doors, three cowl ventilators, seven muchroom ventilators, electric fans, and air ports in sides of vessel. No complaints have been made as stated.

Regarding boat drills: They are held once a week at sea, and in addition, same week at Cristobal, Canal Zone, a drill is held so as to get boats into the water and crew exercised at oars. In other words, all boats are in the water and crew exercised once a month. I consider this necessary for the benefit of all concerned.

The time of hoisting boats into position would not exceed twenty minutes to one-half hour per boat."

The Bureau finds no violation of the law or the regulations.

NO. 119. S. S. "PAULSBORO"

The complainant alleges that while he was serving on the S. S. *Paulsboro* he found conditions very poor, that there were nine men in the "gloryhole," the odor was terrible, there was no ventilation, there was a laxity of fire drills, and the crew was not properly trained. Also, a new ice box had been installed which contaminated the food.

With reference to this complaint, a traveling inspector of this office visited the S. S. *Paulsboro* and the crew quarters, particularly the seamen's forecabin where at the present time there are six men quartered. Captain Tynan stated that four years ago when he joined the ship there were nine men berthed in this space. However, he had three of the men removed and placed in another room. This room was measured by the traveling inspector and the superficial square feet was found to be 273.28, which if nine men had been quartered in this place gave 30 square feet per man, although the law only required 16 square feet.

The firemen and wipers forecabin, where five men were berthed, had an area of 176.4 square feet, which allowed 35 square feet per man. All other members of the crew were in rooms berthing not more than two or three men and the average deck area per man was approximately 38 square feet.

All the smaller rooms were ventilated by means of two 14-inch port holes on the outside of the ship, one electric fan, and a grill work over the top of the inside bulkhead. The sailors' forecabin where six men were berthed, had two 14-inch air ports on the fore end and three along the outside, two electric fans, and grill work over the inside bulkhead. All rooms opened onto alleyways each side of the boiler room and fire room casing, and over the top of these alleyways were hinged skylights.

The log book was examined for the number of drills held, and from the period of February 12, 1936, to May 2, 1936, there were twelve drills, no drills being held between February 15 and March 1, as the vessel was being laid up for repairs. The captain stated that it was a company rule that immediately upon the vessel arriving at sea the crew must be mustered and instructed in their various duties at emergency drills, and a day or two later a complete drill was held. In view of the number of drills entered in the log book, there is not much question that the crew knew what their respective duties were.

The ice box and steward's stores were examined and found to be in a clean and fresh condition. The captain stated that a new ice box was installed about two years ago and at that time the tar that was used in constructing this ice box did affect the food. However, this food was destroyed and new stores ordered, which were kept in the chilled room until the new ice box had been properly aired out.

There appears to be no violation of the law or rules and regulations insofar as drills and sanitary conditions obtain on board this vessel.

NO. 120 S. S. "AMERICAN IMPORTER"

Seaman complains of the food and crew's quarters on the above ship.

See response to complaint No. 25 regarding the same ship and complaints Nos. 65, 183, 84, 85, 31 and 99, concerning ships of the same line.

NO. 121. PANAMA PACIFIC AND MUNSON LINES

Seaman complains of conditions aboard ship's operated by the above lines stating that the crew's quarters are not habitable, and the food is poor.

Response to complaints concerning similar conditions on other ships are applicable to this complaint. The adoption of minimum requirements as to crews' quarters and some provisions for the periodical inspection of food and stores, will go far to correct the conditions complained of.

NO. 122. S. S. "AMERICAN LEGION" AND S. S. "WESTERN WORLD"

The complainant alleges that he was employed on the S. S. *American Legion* and the S. S. *Western World* and that he had seen as many as twelve men sleeping in one small room. He saw one of these men die and then be buried at sea because of bad living conditions. He also saw shipmates lying in the hospital because of bad food. He further states that two-thirds of the crew were aliens or Filipinos and could not speak enough English to go where the officers assigned them.

The articles and the official log of the S. S. *Western World* during the period between February 13, 1936, and March 26, 1936, at which time the complainant

was a member of the crew, were examined. The nationality of the unlicensed personnel of this vessel was found to be as follows: In the deck department 20 native-born citizens, 13 naturalized citizens, and 3 aliens. In the engine department 19 native-born citizens, 13 naturalized citizens, 9 aliens, 4 Filipinos, and 3 Porto Ricans. In the steward's department 41 native-born citizens, 24 naturalized citizens, 21 aliens, 1 Filipino, and 1 Porto Rican. Summarizing there would be 134 citizens and 38 aliens in the crew, giving a percentage of aliens of about 22 per cent. An examination of the official log of this vessel failed to develop that there had been any death or burial at sea on this vessel.

An examination of the articles of the S. S. *American Legion* between January 30, 1936, and March 13, 1936, showed that the citizenship of the crew was as follows: Deck department, 21 native born, 14 naturalized, 2 aliens, 1 Porto Rican, 1 Filipino. Engine department, 26 native born, 13 naturalized citizens, 2 aliens, 4 Porto Ricans, and 2 Filipinos. In the steward's department, 41 native born, 22 naturalized, 21 aliens, 2 Porto Ricans, and 1 Filipino. Summarizing, there would be 88 native born, 49 naturalized, 25 aliens, 7 Porto Ricans, and 4 Filipinos, the percentage of aliens being 17 per cent. An examination of the official log of this vessel showed no deaths or burials at sea.

The crew quarters at that time complied strictly with the requirement of the law as to deck area and cubic feet of space per man. Since then the third-class passenger quarters have been rearranged to accommodate the stewards, and more space has been given over to the engine and deck crews.

There appeared to be no violation of the laws, rules, or regulations on these vessels.

NO. 123. "SANTA LUCIA"

Seaman complains of lack of properly certificated men to man the lifeboats and of the untrained Chinese stewards who jeopardize the safety of both the passengers and crew by the inability to understand English and carry out orders.

Investigation of this complaint includes an affidavit from Captain W. S. Renault, master of the above ship, which is quoted below:

"This is to certify that the crew on board the S. S. *Santa Lucia*, of which I was master from Dec. 21, 1935, to July 31, 1936 was comprised of as follows: Deck department, 31; engine department, 36; steward department, 126.

"The current certificate of inspection of the *Santa Lucia* calls for the following deck crew: 1 master, 1 chief mate, 1 second mate, 1 third mate, 3 quartermasters, 8 able seamen, and 4 seamen. We carry more than the certificate calls for, namely: 1 master, 1 chief mate, 1 first mate, 1 second mate, 1 third mate, 2 junior third mates, 2 cadets, 1 boatswain, 1 carpenter, 1 carpenter's mate, 4 quartermasters, 8 able seamen, and 4 seamen.

"The total number of certified lifeboatmen carried on board is 26 as per certificate of inspection.

"Cadets carried assist the watch officer's and all hold third mate licenses as well as lifeboat certificates.

"The Chinese carried on board number 26 and they are engaged in the galley and laundry.

"We have a fire and boat drill every week and every voyage, and lifeboats are put in the water in charge of an officer and 3 lifeboat men who instruct the rest of the crew how to handle a boat with oars and under sail as well as prepare a lifeboat for launching.

"At no time on board the vessel have I ever had any complaints regarding the food. All departments have a messroom to eat in with a messboy in attendance to serve them.

"The whole crew have wash rooms and toilets with running hot and cold water.

"As regards capable men in each lifeboat there is in addition to the officer in charge, 3 certified lifeboatmen under his orders who instruct the boat crews in their drills."

The Bureau finds no violation of the law, the shipping articles, or the regulations in the investigation of this complaint.

NO. 124. S. S. "EXCALIBUR"

Seaman complains of the hours of work aboard the above ship, the crowded crew's quarters, and the food.

In regard to the hours of work, the provisions of Public 808 requiring a 3-watch system and an 8-hour day will go far to correct the conditions complained of. The remarks made in response to previous complaints in reference to crews' quarters are equally applicable to the complaint concerning the above ship.

In regard to the food, the Bureau's investigation includes an affidavit from the chief officer and the chief steward of the above ship together with a standard crew menu which would indicate that the food served is varied and sufficient in quantity.

The Bureau finds no violation of the law, the shipping articles, or the regulations.

NO. 125. S. S. "AMERICAN LEGION"

Seaman in an affidavit April 25, 1936, complains of condition of crew's quarters on the above ship, also alleges that tanks in the way of the fireroom are leaking fuel oil, that the drinking water tank in the after peak leaks and is contaminated with river and sea water, that the ship is not properly and safely manned and operated.

Investigation by inspectors of the New York office on April 10, 1937, revealed that the crew's quarters had undergone extensive alteration and that the quarters for the engine-room crew had been moved away from the fireroom on the E deck. The inspector says that the quarters at the present time are well ventilated and sanitary. The inspector examined the quality of the water in the after peak tank and stated that it was clear and palatable on that date. Complete examination was made of the fire pump and fire lines and they were found to be in good condition and in accordance with the law and regulations.

In regard to the leakage of fuel oil in the fireroom, the inspector states that about 200 feet of seam and about 500 rivets in settling tanks were being cauled during the time he was aboard to stop the leak. In this connection, it should be stated that leakage of seams in fuel oil and settling tanks is not unusual. In this case the leakage was quite extensive, but evidently was not enough to adverse the effect of the seaworthiness of the vessel.

Investigation reveals no violation of the law or the Bureau's rules and regulations.

NO. 126. "PRESIDENT HARDING"

Seaman complains of fuel valve in firemen's quarters giving off gas.

This complaint is identical with No. 98. The valve has been removed from the quarters by order of the Bureau's inspectors.

NO. 127. S. S. "SANTA ELENA"

Seaman William Donnelly, who served aboard the above steamer as fireman from March to April 1936, complains of the firemen's quarters, stating they were damp and not fit for human habitation; that the port holes leaked, the gaskets being broken; also that the men were required to work day and night and holidays; and that the food was not fit to eat and no service given the men.

An inspector for the Bureau reports as follows concerning the above complaint:

"Examined port holes and gaskets and found all in good order. The wash-room and toilet, opposite firemen's quarter, spacious and in a sanitary condition. Chief officer states no food complaint had been made to his knowledge. First assistant engineer states that the only day and night watches were the routine sea watches, also a mess boy is always assigned to the firemen's mess."

This inspector enclosed in his report an abstract of the engineer's log book.

"The following are watches missed by Fireman Donnelly during the voyage, due to drunkenness:

"March 7th: 12-4 a. m.
 "March 21st: 12-4 p. m.
 "March 30th: 12-4 p. m.
 "March 31st: 12-4 a. m.
 "April 1st: 12-4 p. m.
 "April 2nd: 12-4 a. m.
 "April 5th: 12-4 p. m.
 "April 7th: 12-4 a. m."

It would appear under the circumstances that the charges were not substantiated by investigation.

NO. 128. S. S. "EASTERN TEMPLE"

Seaman complains that at an inspection and lifeboat drill, held aboard the above steamer in the port of Boston, the lifeboat equipment was in such condition that the water breakers fell apart, the provisions were useless, and that the lifeboats had holes in their hulls.

While this complaint does not give any specific month or year, investigation of inspection records of this steamer indicate that in February 1935 she was inspected at Providence and her certificate withdrawn until repairs were made and all requirements of the inspectors complied with. The records indicate further that the local inspectors at New York investigated conditions aboard this steamer, and at the hearing it was brought out that espionage was the probable cause for some of the conditions existing. The ship has since been laid up at Norfolk, Virginia, and is not now certificated.

NO. 129. M. V. "SANTA BARBARA"

Seaman complains of conditions aboard this vessel in regard to the sanitation of the crew's quarters, that the food was such that it could not be eaten, and that men were fired for complaining about the food.

Inspectors from the New York office investigated this complaint and secured a signed statement from the service director and the second steward, stating that the linen in the crew's quarters is changed once a week in cool weather and twice a week in hot climates.

Inspectors found that the owners were making every effort to eliminate vermin by fumigation and spraying the crew's quarters by insecticides. A copy of the menu which the inspector secured, and a further examination of the food by the inspectors, shows the food is served in sufficient quantity and variety.

X

AMENDING THE MERCHANT MARINE ACT OF 1936

TUESDAY, JANUARY 11, 1938

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND COMMITTEE ON
EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to adjournment, at 10:30 a. m., in the Commerce Committee room, the Capitol, Senator Royal S. Copeland (chairman of the Commerce Committee) presiding.

Present: Senators Copeland (chairman of the Commerce Committee) presiding, Thomas of Utah (chairman of the Committee on Education and Labor), Caraway, Donahey, Maloney, Vandenberg, Gibson, and Ellender.

The CHAIRMAN. The committee will please come to order.

We shall hear first from Mr. Ralph Emerson. Mr. Emerson, will you come to the table and take a chair, please?

Give your name and background for the record, please.

STATEMENT OF RALPH EMERSON, LEGISLATIVE REPRESENTATIVE OF THE MARITIME UNIONS AFFILIATED WITH THE COMMITTEE FOR INDUSTRIAL ORGANIZATION, ALSO REPRESENTING MARINE COOKS AND STEWARDS OF THE PACIFIC, AND MARINE FIREMEN, OILERS, AND WATER TENDERS OF THE PACIFIC

Mr. EMERSON. My name is Ralph Emerson. I am legislative representative of the maritime unions affiliated with the Committee for Industrial Organization. I also represent the Marine Cooks and Stewards Union of the Pacific, and the Marine Firemen, Oilers, and Water Tenders Union of the Pacific.

The CHAIRMAN. You have read the proposed bill, Mr. Emerson, particularly title X. Is it to that particular part of the bill that you wish to address yourself?

Mr. EMERSON. We have prepared a general statement on the bill as a whole, and we also wish to submit proposed amendments or substitutes for title X.

The CHAIRMAN. Very well.

Mr. EMERSON. Before going into an analysis of the bill S. 3078 itself, there are a number of subjects that I am going to comment on briefly and which are pertinent and directly connected to this proposed legislation.

The first of these is the subject of the intense propaganda campaign that has been carried on recently and which campaign has directed its attack upon maritime labor in an effort to show that the workers

in our industry are undisciplined and irresponsible. It is peculiar to note that, although the majority of our seamen today are the same ones who had been sailing our ships for years, including the period of the World War, all of a sudden these same men should be classed as being irresponsible and undisciplined. If such is the case, then why was not this situation brought to light before? The answer, of course, is very simple. As in all other industries labor was not so highly organized and democratic unions were not in control, and therefore there was no reason to attack labor from this angle.

In further regard to this matter, I noted recently in an editorial in the Washington Post, headed "Training Merchant Seamen," the following sentence:

Government-trained seamen would be sufficiently valuable to operators to warrant considerate treatment, and they would get it.

The implication was that the shipowner, being philanthropically inclined, would treat his merchant seamen well whether or not unions were in existence. Evidently the editor of the Washington Post is an optimist of the first water. He also evidently has great faith in human nature.

I would also like to add that the seamen would like to have that much faith in the ship operators, but owing to past bitter experience with these people they know that only the coming of the millennium would make such a condition possible; and until that time we must have strong, militant unions in order to force these same ship operators to grant decent living conditions.

I also bring to your attention at this time an article incorporated in the appendix of the Congressional Record by Senator Copeland on December 14, 1937, which is headed "The Problem of Seagoing Personnel and Its Possible Solution." This is taken from an address before the Propeller Club convention in Memphis, Tenn., on October 12, 1937, by the former Director of the Bureau of Marine Inspection and Navigation, Joseph B. Weaver. In this address Mr. Weaver goes to great lengths and seems seriously alarmed over our maritime-labor situation. He cites the complete break-down in the enforcement of our maritime laws. He fails to state, however, that practically every maritime law on our statute books was enacted into law with the aid and help of these people allied or directly connected with the big shipping interests themselves. He also fails to state that since the La Follette Seamen's Act came into force in 1915 no other laws favorable to seamen were put on our statute books until we had the continuous-discharge-book law amended in 1937. Therefore, if there has been a break-down in the enforcement of our maritime laws, it is for the reason that those laws are either antiquated or prejudiced in favor of the shipping interests.

Since Andrew Furuseth has been incapacitated and unable through poor health to watch the seamen's interests here in Washington, the shipowners and their lobbyists have had absolutely no opposition whatsoever in having laws passed to suit themselves and detrimental to maritime labor. This was the problem that the committee headed by myself was confronted with when we first came to Washington a year ago. This is the problem we have to correct.

Mr. Weaver also raises the old cry of what the position of the maritime unions will be in time of emergencies such as a war. This can be answered very easily. We have gone on record at various times before

various congressional committees, stating that the maritime unions will back up our Navy 100 percent in any national-defense policy. Of course we have also made it clear that we would condemn any wars of aggression, and I think that in doing so we only echo the sentiments of the American people as a whole.

In regard to Mr. Weaver's charge of drunkenness, obscenity, and profanity of the unlicensed personnel of American merchant ships in the presence of passengers of those ships, I will simply state that this charge is highly exaggerated and is too stupid to merit an answer.

In answer to his charge that communism exists, I am stating here and now that I have heard more about communism in any one hour here in Washington than I would hear in a lifetime on the water front. It is my point of view that communism largely exists in the minds of a certain number of our reactionary Government officials, and it would be well if these officials dwelt less on this subject, for fear of themselves becoming tainted with this or some other "ism." To sum this article up briefly, it is simply another piece of the type of antilabor propaganda which we have to contend with.

Also, whilst I am on this subject I would like to bring the attention of the committee to a circular headed "An Important Message to the Men Who Man Our Ships." This was issued by the United States Lines Co., 1 Broadway, New York City, and was circulated to the various crews of the ships controlled by the International Mercantile Marine. This, too, is a vicious, misleading piece of propaganda. In it the steamship company tries to give the inference to its employees that the rotary system of employment would mean that men regularly employed on shipboard would be forced to get off and have their places taken by men who are unemployed, thus creating a situation where continuous employment was impossible.

This we know to be an absolute falsehood, as the rotary system, through the union-operated hiring halls, was only devised so that the unemployed seamen who had been longest without work would be the first to secure employment when a vacancy occurred. There was never any thought in our minds in devising this set-up of taking men off their steady jobs. This, as you can see, is another form of propaganda being used to discredit the maritime unions.

The CHAIRMAN. Let me understand you. Do you say that the rotary system is not practiced by your union?

Mr. EMERSON. Yes, sir; it is practiced, but not for the purpose of taking men off of jobs. It is for the purpose of putting a man longest out of work into a job. That is the rotary system of employment. It is not a rotary system of replacement.

The CHAIRMAN. That is to say, if you had an employee on a ship, who had been there a long time—10 years, we shall say—you would feel free to drop him and to put in a man who had been without a job for a long time?

Mr. EMERSON. No, sir. Under no circumstances would he be removed or would he be touched. No man will be taken off a job; but when a man quits of his own free will or volition, then, through the rotary system, he is replaced by the man at the top of the list.

This rotary system has been practiced by the longshoremen's union on the Pacific coast since 1934, and it works very successfully.

The CHAIRMAN. I want you to be very positive in your statement here, because there will be testimony to rebut what you say.

Mr. EMERSON. Yes, sir. If we found at any time that any man was being taken off a job without just cause and was being replaced by another man, we would like to know about it, because that certainly would not be a fair system.

The next item I am going to take up under this subject is the film now being shown in the Trans-Lux Theater here in Washington, and, of course, at all other theaters throughout the country, called the March of Time. Part of the current issue of this film has been allotted to the maritime industry and to the so-called unsettled labor conditions in that industry. One part of this picture depicts a scene where a ship's union delegate is shown at the top of the gangway, submitting demands to the ship's officers. In addition to other demands, the scene shows this delegate asking that 22 cases of beer be put aboard for the use of the crew. An officer, evidently the ship's captain, is shown answering this delegate to the effect that "the 22 cases of beer will not be put aboard my ship."

Now, I am stating right here that if any such incident as this had ever occurred in real life, that delegate would not be today a member of our union, and if anybody here has any proof that such an incident did happen, I demand to know the name of the ship and the name of the seaman making the demand. Of course the inference to be drawn from this is very clear.

The CHAIRMAN. I want to say, as far as I am concerned, that I never heard of this before.

Mr. EMERSON. Yes, sir; but it seems peculiar that what seems to be an authentic film, that comes out regularly called the March of Time, supposed to depict subjects impartially, should dare to put a thing like that out. We would like to have the proof.

The CHAIRMAN. Having been myself a victim several times, I can understand your feeling.

Mr. EMERSON. This type of propaganda is used to show that drunkenness abounds among the crews of American ships.

Further on this subject, I should like to submit for the record a resolution endorsed by the New Orleans branch of the National Maritime Union. This resolution reads as follows:

In accordance with motion made (Terry, 12227, seconded Sullivan, 8570) at meeting of the steward's division, New Orleans branch of the National Maritime Union of America, on December 30, 1937, instructing the Agent to draw up a motion condemning March of Time motion-picture review of current week; the said resolution is herein enacted;

Resolved, Whereas the March of Time, a motion-picture review shown in the leading theaters of the United States, Canada, and other countries, which is sponsored by the Time Magazine, and has an undeniable public influence on the people at large, and

Whereas the release for the current week of December 30, 1937, presents to the public a ridiculous and untrue picture of the American merchant sailor and members of the National Maritime Union, showing crews of ships as disruptive and insubordinate, and enacting incidents relative to the deportment of said American seamen in a manner offensive to every true seaman and the best interests of the National Maritime Union; the said review refrains from showing the constructive advances and healthy gains, the improved working conditions, increased salary and overtime, and the clean, efficient morale that is the National Maritime Union, substituting instead shoddy and scandalous activities with aid of professional stooges; and

Whereas we recognize this criticism as part of a concerted effort to discredit American seamen in the eyes of the public by the reactionary press, radio commentators, and other selfish interests in an effort to hinder the progress and advancement of said seamen, and to create fertile ground for the sowing of seeds

bearing unfavorable and unjust legislation and the creation of discord amongst the workers of the land and of the sea: We therefore

Resolve, That an appeal for the support of all organized labor be broadcast the length and breadth of the land, as effectively as our defamers are now doing; and be it further

Resolved, That we appeal to all organized labor, regardless of craft or affiliation, to boycott the March of Time and the Time Magazine as being unjust and unfair to the American seamen and the National Maritime Union, and to the interests of organized labor at large; and be it further

Resolved, That this resolution be sent to the March of Time and the Time Magazine; to all labor organizations; to all civic bodies engaged in the uplift and progress of humanity; to the Marine Federation of the Pacific; to the International Longshoremen's Union; to the United Longshoremen and Dock Workers Union; to the Committee of Industrial Organization, Washington, D. C.; to the Motion Picture Operators' Association; and to be published in the official organ of the National Maritime Union, the Pilot; to be published in the official organ of the West Coast Marine Unions, the Voice of the Federation.

NEW ORLEANS BRANCH, NATIONAL MARITIME UNION OF AMERICA.

The foregoing instances mentioned here, coupled with the intense propaganda campaign that has been carried on by the paid press, frequently here in Washington, will show you clearly the immense objects that are placed in our way and which include misrepresentation and distortion of facts.

Senator VANDENBERG. We have had considerable testimony to the effect that members of crews of American ships which are in foreign ports have become intoxicated and have been placed under arrest, and that when the sailing time of the ship arrived the captain was not permitted to leave the dock, because a delegate insisted that he could not leave until all of those men were aboard ship.

Would you believe that anything of that sort has happened?

Mr. EMERSON. Of course, it is possible, but I do not know of any specific instance. If there was such, that delegate should be brought to task by his particular union. The ship should sail on time.

Senator VANDENBERG. You would not approve that use of a delegate's power?

Mr. EMERSON. No, sir.

The CHAIRMAN. Proceed, Mr. Emerson.

Mr. EMERSON. Naturally, we cannot hold up ships for no good or legitimate reason whatsoever. If there have been instances like that, we wish them to be brought to the attention of union headquarters, so that we can deal with them.

The CHAIRMAN. Do you have delegates on board ships?

Mr. EMERSON. They are voluntary delegates; they receive no salary. They have been a great help in a number of cases, because when they see something wrong—for example, when they see a window broken or a porthole where water is coming in—they report it. We have had a lot of repair work done and also conditions reported with regard to food.

The CHAIRMAN. Do they issue orders to the captain?

Mr. EMERSON. I hope not.

The CHAIRMAN. Do they?

Mr. EMERSON. Sir?

The CHAIRMAN. Do they?

Mr. EMERSON. We would like, also, to have specific instances of that, because we say that at sea the captain is in command of his vessel, and there is no foregoing his commands. That would be mutiny.

The CHAIRMAN. That is the proper position for you to take. Is that what actually happens at present?

Mr. EMERSON. Yes, sir.

Senator GIBSON. Do they receive from your headquarters any orders to give directions to the captain?

Mr. EMERSON. No, sir; they are supposed to take the orders from the master.

The only thing that happens as regards a delegate at sea is this: Take on a ship like the *Manhattan* or *Washington*, about halfway across, on some particular night, the chief steward assigns the tourist dining room to them, and they hold a union meeting at night, attended by officers and members of the crew. They discuss problems.

Senator GIBSON. Do they vote?

Mr. EMERSON. Vote?

Senator GIBSON. Yes.

Mr. EMERSON. They vote on various resolutions, and things, and they send those resolutions to Washington.

Senator GIBSON. Where do they send them in Washington?

Mr. EMERSON. They send them to the Senate Commerce Committee or to the House Merchant Marine Committee.

Senator GIBSON. Do we have any of those, Mr. Chairman?

The CHAIRMAN. I think so.

Mr. EMERSON. I shall come to an instance of that in a moment.

The CHAIRMAN. I am more interested to know what these men do on ship.

Mr. EMERSON. They work on their particular jobs, and anything they do like that is on their own time. The only thing they are there for, so far as the union is concerned, is to see that every part of the ship is run properly, so far as unlicensed personnel is concerned. If we did not have those people settling petty arguments, there would be all kinds of arguments going on between the union and the steamship companies.

The CHAIRMAN. You are the influential shore representative of this union?

Mr. EMERSON. Sir?

The CHAIRMAN. I say, you are the influential shore representative of the union, and you say the master should be the master, according to the tradition of the sea and the law of the United States?

Mr. EMERSON. That is right. Of course, there have been times when the masters have been at fault.

The CHAIRMAN. Have you had knowledge of when the sailors have been at fault?

Mr. EMERSON. Yes.

The CHAIRMAN. Do you think the sailors respond to the masters' orders with regard to cleanliness of toilet facilities and quarters aboard ship?

Mr. EMERSON. If it is their duty to do it; but if the steamship company is too mean to put the required number of crew on to take care of it, I do not see where it is the sailors' duty or others' duty to do it. For instance, I would not want to see a waiter go in and do it and then wait on passengers.

The CHAIRMAN. Then what should be done?

Mr. EMERSON. The procedure is that the ship's delegate makes a note of those things. When the ship docks at its home port in the United States, the shore delegate contacts the ship's delegate. The

shore delegate takes it up either with the company's representative or through union headquarters.

The CHAIRMAN. Does the ship's delegate make any representation to the captain on board ship?

Mr. EMERSON. Yes, sir; of course, if he finds something wrong; and most of the time all those little wrongs are corrected and get no further. We find a great many captains cooperate with us. The captains sometimes would like to have the things reported, but the company does not.

Senator VANDENBERG. You said something to the effect that sometimes the captain is wrong, and that is probably so. Does that make any difference while the ship is at sea?

Mr. EMERSON. Not a bit.

Senator VANDENBERG. Right or wrong, he is captain?

Mr. EMERSON. Yes. If he is wrong, he suffers the consequences.

Senator GIBSON. What do you mean by that?

Mr. EMERSON. He is brought up before an official body, perhaps, and his license revoked.

Senator VANDENBURG. Suppose that when the delegates get ashore they report that the captain has been unsatisfactory in dealing with union complaints while he has been at sea. Would it be possible for the union to order its men not to ship again on a ship mastered by that captain?

Mr. EMERSON. Well, when you speak about the union ordering its men, the men are the union, they might not want to ship.

Senator VANDERBURG. But there would have to be a concerted action, would there not?

Mr. EMERSON. No; not necessarily.

Senator VANDERBURG. Is there ever any concerted action of that sort?

Mr. EMERSON. No; not that I know of. We will take the case of the *Algic*, in Baltimore. Even after everything that had happened, the company called us up for a crew, and we put another crew on and sailed her out.

The CHAIRMAN. You do not think the decision in the "*Algic*" case facilitated your action?

Mr. EMERSON. No; the decision is just as bad the way it stands as if they had got a hundred years.

The CHAIRMAN. All right.

Mr. EMERSON. Next, I should like to submit for the record a few of the many protests we have received from unions and crews of ships against the enactment of the bill S. 3078 in its present form.

The first thing which I wish to read to you is a resolution adopted by the Pacific Coast Marine Firemen, Oilers, Watertenders, and Wipers' Association, with headquarters at San Francisco, Calif. This was sent me by Mr. R. J. Fitzgerald, secretary pro tem of the association, on December 23, 1937. It reads:

RESOLUTION

Whereas the maritime workers, through organization and collective bargaining, hope to establish an American standard of living aboard American ships; and

Whereas the shipowners, through lobbyists in Washington and a malicious publicity campaign in the conservative press, have sought to put the maritime unions in ill repute before the American public, and

Whereas Senator Copeland and his cohort, Rep. Bland, have introduced into Congress certain bills designed to throttle the maritime labor movement; and

Whereas these bills, amongst other things, call for compulsory arbitration as per the Railway Labor Act, which act has turned out to be so disastrous for the railroad brotherhood; and

Whereas these bills also call for the establishment of training schools, under the direct supervision of the Coast Guard, which set-up is especially designed to regiment young seamen and poison their minds against unionism; and

Whereas the Maritime Commission has declared itself in favor of these bills and also indirectly in favor of the establishment of a Maritime Commission with powers paralleling those of the British maritime trade unionism: Therefore be it *Resolved*, That we condemn bill S. 3078, introduced by Senator Copeland, and H. R. 8532, also amendment No. 1 to H. R. 8532, introduced by Rep. Bland, as being in direct opposition to the best interests of the maritime workers and demand that no congressional action be taken on these bills until such time as the maritime unions may be in a position to present their arguments against the objectionable features of such legislation; and be it further

Resolved, That a copy be sent to the national headquarters of labor's Non-Partisan League, Washington, D. C., with a request that they assist in every way possible to defeat these bills. Also that copies be sent to Ralph Emerson, joint maritime legislative committee, Washington, D. C., to publishers of the Voice, C. I. O. Herald, and the N. M. U. Pilot; and be it finally

Resolved, That copies be sent to all branches for concurrence.

The CHAIRMAN. Do they object to the bill from beginning to end?

Mr. EMERSON. The same objections are raised, as we are raising these. I hope that representatives of the Pacific coast will be here very shortly, for I should prefer to leave those details to them.

The CHAIRMAN. Do you mean Mr. Lundeborg?

Mr. EMERSON. I believe he will be here tomorrow.

Senator GIBSON. Did he succeed Andrew Fureseth?

Mr. EMERSON. In the Pacific. Harry Lundeborg has succeeded in a way.

Next I have a protest from the crew of the S. S. *Cody*.

The CHAIRMAN. Read it. What does it say?

Mr. EMERSON. It reads:

We, representing the crew of the S. S. *Cody*, hereby protest the proposed bill, namely, S. 3078.

F. J. CARLSTROM.
THOMAS COLLINS.
H. PRAETORIUS.

It is addressed to you, Senator Copeland.

The CHAIRMAN. When I received that telegram, what was my thought about it? My thought necessarily was that you do not want that bill.

Mr. EMERSON. I will explain that later; but, at the same time, that was a general protest against the features affecting maritime labor in that bill. You must understand that there are some features in here that do not affect maritime labor. They should have qualified that statement.

Now, this is a telegram from our union headquarters in Buffalo, N. Y. It reads:

Hon. ROYAL S. COPELAND,

Chairman, Senate Commerce Committee, Washington, D. C.

The membership of the National Maritime Union of America in Buffalo, N. Y., protest the proposed S. 3078, especially the parts referring to the building of ships in foreign yards, transferring registry of United States ships to foreign flags, permitting salaries of over twenty-five thousand dollars to officials of steamship companies and the setting up of boards of mediation and arbitration which will strangle the Maritime Workers of America.

RALPH ROGERS,
District Representative.

This is a telegram from the National Maritime Union at Houston, Tex.

The CHAIRMAN. What does that say?

Mr. EMERSON. It is addressed to me, at my office, room 402, 1627 K Street NW., and reads:

We seamen of the port of Houston urge to do your utmost to kill bill S. 3078 as it is quite obvious the harm it will do.

NATIONAL MARITIME UNION.

Here are copies of letters sent from the S. S. *Muskogee* to Congressmen Maury Maverick and Schuyler E. Bland, and to Senators Royal S. Copeland and R. M. La Follette, Jr., protesting the enactment of this legislation. Each one reads the same, so I shall just read from one of them:

S.S. "MUSKOGEE" AT SEA,
December 27, 1937.

Senator ROYAL S. COPELAND,
Washington, D. C.

DEAR SENATOR COPELAND: We the crew of the S. S. *Muskogee*, as American citizens, protest the passage of the proposed amendments to the Merchant Marine Act of 1936, which were introduced by you on December 2, 1937, and which are incorporated in a bill known as S. 3078.

We strenuously object to the passage of any bill which tends to enslave the American seamen, and which robs them of the fundamental right to fight for better working conditions and living standards.

Signed on behalf of the crew S. S. *Muskogee*.

G. WILKINSON,
Deck Delegate.

S. MICKNICZ,
Engine-room Delegate.

C. A. PILLING,
Steward Dept. Delegate.

Here is one I would like to bring particularly to your attention. It is from the S. S. *President Harding*, at sea, December 14, 1937. It reads as follows:

S. S. "PRESIDENT HARDING," AT SEA,
December 14, 1937.

Mr. RALPH EMERSON,
Legislative Representative, Washington, D. C.

DEAR SIR: On December 10, 1937, aboard the S. S. *President Harding*, 185 American citizens attempted to register a protest against two pieces of proposed legislation which are distinctly unfavorable to them. They are known as the Copeland Bill, S. 3078, and the Schuyler Bland bill, H. R. 8532. These bills came up for hearing on December 8, the day that this vessel sailed from New York. In view of the fact that they could not be present at these hearings, they resorted to the only other means available to them in protesting against these unfavorable antilabor bills, which infringe upon their constitutional rights as American citizens, namely by a cablegram to the President worded as follows:

"The S. S. *President Harding* vigorously protests antilabor legislation known as the Copeland bill, S. 3078, and the Schuyler Bland bill, H. R. 8532.

(Signed) CREW."

The captain, James E. Roberts, censored this cable, thereby taking away their only means of informing the President of their objections to these bills.

The only reason he gave was that it would put him in a bad light with the company, therefore we the 185 undersigned American citizens vigorously protest the dictatorial stand of the master, James E. Roberts, in removing the right granted to us by the Constitution of these United States to protest unfavorable legislation.

That is signed with 185 signatures of members of the crew.

The CHAIRMAN. They had read the bill?

Mr. EMERSON. They had read the proposed draft of the bill.

As the letter says, the captain, James E. Roberts, censored this cable and thereby took away their only means of informing the President of their objections to these bills.

I have sent a copy of this letter to the President.

Senator VANDENBERG. How did the captain want to change the message?

Mr. EMERSON. He did not want it changed at all. He did not want them to write to the President of the United States or so send a cablegram.

Senator VANDENBERG. I should think he might properly have said that his ship vigorously protests, but I should not think he had any right to complain that it had been said that the men of his ship had protested.

Mr. EMERSON. The inference here is plain. It meant the ship's crew. Of course, we have had that happen before. I might say, however, that the captain has a right to censor messages to a certain extent.

The CHAIRMAN. What was the date of that?

Mr. EMERSON. The date of the letter is December 14, 1937, but these men tried on December 10, 1937, to send a cablegram to President Roosevelt.

The CHAIRMAN. Where was that letter sent from?

Mr. EMERSON. This letter was forwarded to me from New York and was sent from the union. It had been forwarded to them from the crew of the *President Harding*.

The CHAIRMAN. Where was the *President Harding*?

Mr. EMERSON. This letter is dated "S. S. *President Harding*, at sea, December 14, 1937."

They must have had this letter written at sea, had it taken off at Cobh, and taken back on the next ship.

The CHAIRMAN. Is it not rather remarkable that they had full information about this bill in view of the fact that it was not introduced until the 2d of December?

Mr. EMERSON. Well, sir, we keep the unions informed in the different places.

The CHAIRMAN. Oh, you sent that letter?

Mr. EMERSON. No; I did not send that letter.

The CHAIRMAN. What did you send to them?

Mr. EMERSON. I sent word to them to send protests to everybody in Washington.

The CHAIRMAN. Oh, you did?

Mr. EMERSON. That is what I am here for.

I have one more copy of a letter which I should like to read for the record. It is as follows:

S. S. "ELIZABETH KELLOGG,"
SINCLAIR REFINING CO.,
Houston, Tex., December 31, 1937.

Senator ROYAL S. COPELAND,
United States Senate, Washington, D. C.

DEAR SIR: Your proposed amendments to the Merchant Marine Act of 1936, incorporated in the Senate bill S. 3078, are un-American and unjust.

As an American citizen by birth, and as a merchant seaman whom this legislation will affect, I strongly protest passage of these amendments.

Respectfully,

C. W. GRAZIER, Radio Officer.

I have many other protests, but I do not want to clutter up the record with them.

The next item is known as the *Black Falcon* incident, which perhaps I should have included in my statement of propaganda, but which I would rather treat as a separate item. It will be remembered perhaps that on a recent voyage of the S. S. *Black Falcon* one Mr. Daniel Irwin, a passenger, charged the crew with practically everything he could think of. This attack was so exaggerated that we decided to investigate it thoroughly, and I hereby give our reply to this attack.

First I shall submit for the record an item from the New York Times, entitled "Seamen Deny Charges. *Black Falcon* Crew Asks to Be Heard in Intoxication Case." It reads as follows:

Spokesmen of the crew of the Black Diamond ship *Black Falcon*, which arrived yesterday from Rotterdam, denied that they had been intoxicated and disorderly on a recent voyage as was charged at a hearing on December 13 before the Senate Commerce Committee. Daniel B. Irwin, of New York, made the charge in a letter read by Senator Copeland, chairman of the committee.

The crew's spokesmen attributed Mr. Irwin's statements to the misunderstanding of a person unfamiliar with maritime methods. They explained that 477 empty barrels which were carried on the forward well deck had been washed loose by heavy seas and most of them had been washed overboard. The crew went forward to release the rest to prevent damage to ventilators and superstructure, they said. This explanation was in reply to Irwin's charge that the crew had "cast freight into the sea."

Russell Goodman, chief officer, termed the charges "ridiculous", and many of the seamen expressed their willingness to appear before the Senate committee to refute the allegations. The ship docked at Pier K, Hoboken.

The next statement is from the New York Times of December 16, 1937, in which Mr. Victor J. Sudman, president of the Black Diamond Steamship Co., defended the crew. This article reads as follows:

LINE HEAD DEFENDS UNION

Victor J. Sudman, president of the Black Diamond Steamship Co., defended yesterday the officers and crew of the *Black Falcon* against charges read into the record of the Senate committee in the form of a letter written by Daniel B. Irwin, a passenger, at a hearing Tuesday in Washington.

Mr. Sudman said he was particularly anxious to clear the record of the National Maritime Union, with which his company signed a labor agreement in September.

The log of the *Black Falcon* was produced by Mr. Sudman to support his contention that the crew, facing a gale which caused a shipment of barrels on the fore deck to break loose, had shown bravery in going forward and jettisoning the barrels. Mr. Irwin had charged that members of the crew, apparently drunk, had hurled freight into the sea.

Mr. Sudman said the one man who was drunk was a cook and he was discharged when the ship reached Rotterdam.

"We have had nine sailings," Mr. Sudman said, "since we signed a labor agreement with the National Maritime Union. There has been not the slightest difficulty with the union or the men, and it is obvious to us that Joseph Curran and his fellow union officers are sincere in their efforts to keep contracts and maintain efficiency."

There is a case in which the shipowners for once defended us against these malicious charges. Of course, we understand that all shipowners are not enemies of ours.

The CHAIRMAN. Are most of them enemies of yours?

Mr. EMERSON. Yes, sir; natural enemies.

The CHAIRMAN. Would you prefer to have the ships put under the Navy?

Mr. EMERSON. Sir?

The CHAIRMAN. Would you prefer to have the merchant ships put under the Navy?

Mr. EMERSON. That is a question. If it were found in the final analysis that we had no responsible businessmen in America who could handle the merchant marine to such an extent that the public would benefit by it, then we might be forced anyway to put the whole merchant marine under the Navy, but we would have to get our profits.

The CHAIRMAN. If you had to make a choice now, which would you prefer? Would you prefer placing the operation of the ships under the Navy, or would you prefer placing an officer of the Coast Guard on each ship in order to supervise personnel?

Mr. EMERSON. We would prefer neither at the present time.

The CHAIRMAN. I know; but if you had to choose between those two things, which would you choose?

Mr. EMERSON. There is only one thing I have to say with regard to that: If we come to this state where we cannot find competent, trustworthy ship operators in this country, or men who will go into the shipping business and run it squarely and fairly for the benefit of the public, without thought of making a million dollars in a year or two, as was disclosed by the former Shipping Board scandal, then we had better put the whole thing under Navy control.

The CHAIRMAN. Do you not think we had better do that now?

Mr. EMERSON. I don't know; we have some ship operators who are pretty fair; others who have learned their lesson and who are going to act differently from now on. With the Maritime Commission keeping supervision over them, they should be given a chance.

Senator VANDENBERG. But the Maritime Commission says:

Unless something can be done to stabilize those relationships, to reduce inter-union friction, to increase the efficiency of crews and to restore order and discipline aboard our ships, all of the Government's efforts to develop a strong American merchant marine will be futile.

Mr. EMERSON. They said practically the same thing to the ship operators.

Senator VANDENBERG. I think the ship operators are entitled to plenty of condemnation for some of the conditions they have permitted to persist, but, Mr. Emerson, the situation in which I find myself—and I may as well say it to you now, so that you can give me the benefit of such comment as you subsequently want to make—is this:

I agree completely with your statement that this proposition should be handled for the benefit of the public. When I confront independent witnesses by the score, not shipowners, not ship operators, but responsible Government officials in the various departments of the Government, who insist that unless something is done to restore a semblance of discipline on the sea, and who say that we are facing a trend toward positive loss of safety to the operation of ships at sea, I am forced to believe that there is some problem involving the public welfare in which both you and the ship operator are interested and where we hold a primary responsibility.

Mr. EMERSON. The whole trouble has been in the last couple of years. Since seamen have become highly organized, they have doited out so many bad conditions on ships that there is an effort to stifle any further move toward correction.

The CHAIRMAN. An effort by whom?

Mr. EMERSON. We have submitted an awful lot of evidence to Washington, and nothing has ever happened from it.

The CHAIRMAN. No; and I want to tell you that you submitted over a hundred affidavits——

Mr. EMERSON. That was a long while ago.

The CHAIRMAN. Last year.

Mr. EMERSON. Yes.

The CHAIRMAN. You submitted more than 100 affidavits. Every one was investigated.

You made a point about the *Black Falcon*, indicating that only Mr. Irwin protested. I have here a letter signed not only by Mr. Irwin but by the other passengers who were aboard. So, you see, it is not alone Mr. Irwin. I don't know Mr. Irwin. There is a ship and a line which you said was operating, or which your representative said was operating, very satisfactorily.

Mr. EMERSON. Yes, sir; and the company is satisfied, too. I just submitted for the record the statement of the president of the company repudiating the charge.

The CHAIRMAN. What about the public? Is the public satisfied?

Mr. EMERSON. I shall read this to you. This is a letter from the *S. S. Black Falcon*.

The CHAIRMAN. Of what date?

Mr. EMERSON. December 19, 1937. It reads:

S. S. "BLACK FALCON,"
Antwerp, Belgium, December 19, 1937.

NATIONAL MARITIME UNION,
New York City, N. Y.
(Attention of Joseph Curran.)

DEAR BROTHER: In answer to the scurrilous attack by Mr. Daniel Irwin, passenger on the *S. S. Black Falcon*, voyage No. 49, east-bound, from New York to Rotterdam, and in defense of the National Maritime Union aboard this ship from such pure libelous statements which are no doubt the fabrications of a prejudiced person.

The nature of these charges are so utterly untrue and ridiculous that I am at a loss to understand how anyone could give them serious thought, but as it seems to be the policy of adverse people and organizations to seize on anything that might sound plausible to the listeners of the radio and the readers of newspapers and magazines, those who do not go to sea, and cannot distinguish facts from fancy, because of unfamiliarity with conditions afloat.

On leaving New York, east-bound, we put out in a rolling sea and worked until late at night securing the ship—i. e., lowering booms, battening down, stripping the rigging, lower the lines, securing the hatches, etc. On Sunday a. m. ship was taking considerable spray. As all weather indications pointed to rough seas, all hands were called and after-deck cargo of drums were moved to lee of house and secured by wire and chain. Nevertheless, so great was the action of the sea and the water on deck that several times during the trip, course was altered until this cargo was resecured. On reaching Rotterdam much of this cargo was crushed and washed out of position, as per claims on same. The fore deck was loaded two high with empty barrels, same being impossible to secure, and were not touched until 4:30 a. m., Monday, November 1. At that time, at risk of my life, I went on foredeck, which was constantly shipping green water and washing many of the barrels over the side. Others were smashing against the bulkheads and bulwarks, and some, due to the action of the water, were lifting up and striking the dogs on the shelter-deck doors, lifting them off and endangering ship passengers, cargo, and crew. At greatly bodily risk, I resecured these dogs three times in an hour and 30 minutes, and also removed barrels that were wedged and pounding oil vents, and in danger of breaking these vents thereby flooding the oil tanks with salt water. It was imperative that remaining cargo of barrels be jettisoned for the safety of the ship, and such was the opinion of the master and all officers. Such action was carried out, and to prevent bodily harm to seamen, ship's course was altered until this work was completed.

Such charges that crew took possession of the ship is so utterly ridiculous that only one with a limited knowledge of ships would give credence to such a statement.

That the crew were drunk is another gross misstatement of fact. With the exception of one, whom this passenger fed with liquor, not a member of the crew was in such condition.

During the entire trip while on watch on deck members of the crew at no time noticed that passengers' lounging space was in darkness.

Due to rough weather, all decks and alleyways were constantly awash. Gratings were put on both sides to facilitate the passengers reaching messroom and state-rooms without wading in water, and everything possible that could be done to make the trip pleasant for the passengers was carried out, and any criticism should be of the elements, and not of the crew of the *Black Falcon*.

It seems that Mr. Irwin's unfounded attack of the crew of this ship is merely a subterfuge to discredit the National Maritime Union in the eyes of the American public.

Yours fraternally,

WILLIAM COLLINS,
N. M. U., 1180, Deck Delegate.

The CHAIRMAN. Mr. Emerson, I hold in my hand a letter from Mr. Irwin to me, under date of January 6, 1938, enclosing a letter or a petition to the Black Diamond Co. signed by every single passenger except one. That particular passenger was a former ship's carpenter. He did not want to sign, but every other passenger signed it. Does that impress you at all?

Mr. EMERSON. Mr. Chairman, at this point, if you would like further information on the subject, I have the signer of the letter I just read here present in this room, Mr. William Collins, and I shall suspend my statement for a few moments so that you may call him to the stand and ask him any questions, if you wish.

The CHAIRMAN. We shall do that in due time, or do it now, if you like.

Mr. EMERSON. Mr. Collins, will you please come forward?

The CHAIRMAN. We shall be glad to hear him.

STATEMENT OF WILLIAM COLLINS, NATIONAL MARITIME UNION, 1180, DECK DELEGATE

The CHAIRMAN. Mr. Collins, give you full name.

Mr. COLLINS. William Collins.

The CHAIRMAN. Are you the delegate?

Mr. COLLINS. I am.

The CHAIRMAN. What have you to say about the *Black Falcon*? Were you aboard?

Mr. COLLINS. I was.

The CHAIRMAN. What about it?

Mr. COLLINS. First, I want to answer that letter and the other passengers signing it. This man was discussing the question of other passengers signing this letter, but before the ship reached Rotterdam every passenger wanted to get the letter back and take the signatures off.

The CHAIRMAN. How do you know?

Mr. COLLINS. Because there were several on there who told us they wished to get the letter back.

The CHAIRMAN. In the meantime, had they been seen by your delegates?

Mr. COLLINS. No; they were not.

The CHAIRMAN. In other words, nothing happened on the *Black Falcon* that was not entirely proper?

Mr. COLLINS. Nothing.

The CHAIRMAN. All right.

Senator GIBSON. I think your letter stated somewhere that some member of the ship's crew was fed liquor by Mr. Irwin.

Mr. COLLINS. Yes; Mr. Irwin; and we have positive proof, and can produce it within 48 hours if it is necessary, that Mr. Irwin got this cook drunk a number of times with his own liquor. He charged the cook with giving us liquor.

We had no liquor. Maybe we do drink a little bit in port, but we are 26 days out of every month afloat, and at sea we don't drink at all.

The CHAIRMAN. All right.

Mr. COLLINS. Another thing, on these ships the decks are undermanned. They have three men on watch—one man on the wheel, one man on look-out, and one man standing by to take care of the rest of the job—and on the North Atlantic in the wintertime a Hog Island ship is not a very pleasant place for seamen, let alone passengers, and it is impossible to keep the water off the decks, because we are loaded quite heavily now and the water is constantly washing over the decks.

The CHAIRMAN. Did you say you are the delegate?

Mr. COLLINS. I am.

The CHAIRMAN. Are you a member of the crew?

Mr. COLLINS. I am.

The CHAIRMAN. How many other delegates are there? Do you have a delegate for each department?

Mr. COLLINS. We have three men. I would call them delegates. We have a committee, with the chairman, of three men. Each department has one man, but the chairman acts generally for the entire ship.

The CHAIRMAN. Are you chairman on the ship?

Mr. COLLINS. I am.

The CHAIRMAN. In which department do you work?

Mr. COLLINS. In the deck department, but I act generally for the entire ship.

The CHAIRMAN. What are your duties?

Mr. COLLINS. As delegates, we are placed aboard the ship not to make trouble but to stop trouble.

The CHAIRMAN. Just a moment. Are you selected as a delegate by reason of the fact that you are on the ship, or does your hiring hall place you upon the ship?

Mr. COLLINS. We are elected on the ship by the crew of the ship.

The CHAIRMAN. After you put to sea?

Mr. COLLINS. After we put to sea.

The CHAIRMAN. Then what are your duties?

Mr. COLLINS. We try to strike a balance between the union and the company. We try to see that the company gets a fair break from the sailors or that the sailors get a fair break from the company. We are trying to operate an honest union. We are trying to give a day's work for a day's wages or day's pay, and are trying to educate the seamen to be respected ashore. Most of the people ashore think we are morons and nitwits, but there are a few of us who like to go to sea.

The CHAIRMAN. Are you an American?

Mr. COLLINS. I am an American and served in the United States Navy.

The CHAIRMAN. Where were you born?

Mr. COLLINS. Chicago.

The CHAIRMAN. Do you recognize that on the ship the captain is the master of the ship?

Mr. COLLINS. Absolutely.

The CHAIRMAN. According to the tradition of the sea and the law?

Mr. COLLINS. Absolutely.

The CHAIRMAN. Have you ever noticed on your ship any failure on the part of sailors to observe the suggestions of the captain about the cleanliness of quarters and gear?

Mr. COLLINS. Just repeat that, please.

The CHAIRMAN. Have you observed at any time any failure on the part of seamen to obey the orders of the captain as regards cleanliness of quarters and cleanliness and upkeep of the gear?

Mr. COLLINS. At no time. We never disobey the captain, even if we know he is wrong; we carry out his orders.

The CHAIRMAN. If you are convinced that he is wrong or is temporarily unfit for his job, what do you do when you get ashore?

Mr. COLLINS. We have nothing to do with that at all. The other officers of the ship take care of that matter.

The CHAIRMAN. Do you try to get him fired?

Mr. COLLINS. No; we do not. We do not interfere in that department at all.

The CHAIRMAN. Suppose he has been offensive on one trip, or on two or three trips? Would you under any circumstances refuse to serve under him?

Mr. COLLINS. I might not sail on his ship if I did not like him.

The CHAIRMAN. Would you seek to have a strike against the ship?

Mr. COLLINS. No.

The CHAIRMAN. All right.

Senator VANDENBERG. As a delegate, would you consider that you had any authority in a situation of this sort: Suppose your ship, which had put in at a foreign port, was scheduled to sail at 6 o'clock tonight. At 6 o'clock tonight one member of your crew had overstayed his leave and was not aboard. Would you feel entitled to demand of the captain that he postpone his sailing until that man was aboard?

Mr. COLLINS. Absolutely not.

Senator MALONEY. Just follow that through; suppose there were eight men.

Mr. COLLINS. Then it would be unlawful for the captain to sail. We would not have to demand it.

The CHAIRMAN. What was your question, Senator Maloney? I did not quite get it.

Senator MALONEY. I asked what would happen if eight men were late instead of one at sailing time.

Mr. COLLINS. If there were eight men late, the captain could not sail the ship, because it would be a physical impossibility to sail the ship with eight men short in the crew.

Senator MALONEY. But if he decided to go anyway, what would be your duty?

Mr. COLLINS. He could not go.

Senator MALONEY. Let us assume—and I ask this because we do have a case which is specific and concrete in this connection—that he decided to sail with eight men short.

Mr. COLLINS. Why, we would sail the ship. He is still captain.

Senator MALONEY. That is all.

Senator VANDENBERG. I just want to be sure about this letter from the passengers. You say it is your information that each of these passengers stated that he wished his name taken off this protest?

Mr. COLLINS. I would not say each of the passengers, but three of the passengers I know of.

Senator VANDENBERG. Do you know them? Can you identify them by name?

Mr. COLLINS. I think one was a passenger with a little boy and girl. I don't have much to do with the passengers.

The CHAIRMAN. There was one family with two children. Was that the one?

Mr. COLLINS. That is one of them, but I wouldn't know his name here, although it is the fellow from Chicago, because I believe he stated he came from Chicago—Paul Goosens.

The CHAIRMAN. He is the one who had the children?

Mr. COLLINS. Yes; I am quite sure he did.

The CHAIRMAN. Were there any others?

Mr. COLLINS. I would not recognize their names there, no, but I think if you contacted any one of them, without the influence of Mr. Irwin, they would not criticize the ship.

The CHAIRMAN. I will ask that this letter from Mr. Daniel B. Irwin, together with its enclosures, be inserted in the record at this point.

(The letter of Daniel B. Irwin, dated January 6, 1938, to Senator Royal S. Copeland, together with papers attached, is to be inserted in the record at this point.)

36 BETHUNE STREET,
New York, January 6, 1938.

Subject: S. S. *Black Falcon* Matter.

Hon. ROYAL S. COPELAND,
The Senate, Washington, D. C.

DEAR SENATOR In the above matter, I am enclosing photostatic copy of the complaint signed by all passengers except one, who had formerly been ship's carpenter on that ship, and he was not even consulted in the case of the complaint. I am forwarding this for two reasons; one, that the seamen involved have several times and publicly threatened to sue for divers causes, and second, that it supports my original letter to you. In addition it refutes the published claims that I am an agent provocateur.

Furthermore, I fear for my safety in the published and veiled threat "legally we are not through with Mr. Irwin." I question their understanding of what is legal and what is not. This statement appeared in the New York Herald-Tribune, January 6, 1938.

If I may venture an opinion of what I have seen discussed on maritime matters; I have seen no proposal that will insure that the seamen and others on board American vessels will observe the common usages in society that keep society together. Unless it is the proposal to man Government-owned or subsidized vessels with naval veterans or naval reservists who are not to be required to associate with the M. N. U. or C. I. O. or other communist and subversive groups.

Very truly yours,

DANIEL B. IRWIN.

LIST OF PASSENGERS WHOSE NAMES APPEAR ON COMPLAINT

Edward L. Van Austrom, 224 East 18th St., New York; Frederick L. Kotter, 55 Summer St., New Brunswick, N. J.; Leonard Dhein, Pottsville, Pa.; Paul Goosens (accompanied by 2 children), 4716 Beacon St., Chicago, Ill.; Daniel B. Irwin, 36 Bethune St., New York.

With one passenger, Wener J. Kauffeld, former ship's carpenter, this completes the passenger list, as published in New York World-Telegram, December 15, 1937, total, 8 passengers.

AT SEA, S. S. "BLACK FALCON,"
November 7, 1937.

BLACK DIAMOND S. S. CORP.,
39 Broadway, New York.

GENTLEMEN: The undersigned, passengers on the eastbound voyage are dismayed and distressed at the treatment accorded them by crew and officers alike, on the vessel. The crew is with few exceptions hostile and the officers surly and bordering on insulting to the passengers.

Specifically, the steward passes complaints as not in his power to correct, the cook refuses to serve meals within the hours posted; the galley force dumps waste in the passageway used by passengers; the 3d mate arrogantly orders passengers off all dry places forward; the 2d mate and 1st mate seem to have no concern for the welfare or comfort of the passengers. We enumerate the omissions, like failure to: Make the passageways sanitary; to change towels; to supply water in the cabins; to cook palatable food; to act courteous to passengers, while failing to acknowledge that they are on board; to observe hours for meals as posted; to refuse to fry an egg on order at breakfast; to browbeat and intimidate passengers (3d mate only); to keep toilets clean and sanitary. The captain is not included in this complaint, he has been courteous but no more. The engine room force excepted.

PAUL GOOSENS
(1st mate o. k. with me).
FRED KOTTER.
DANIEL B. IRWIN.
EDWARD L. VAN AUSTROM
(except mess room boy).
LEONARD H. DHEIN
Radio operator.

The CHAIRMAN. Have you anything further, Mr. Collins?

Mr. COLLINS. I have two more letters from the passengers on two trips since then, that were given to us voluntarily because they knew of those charges, and they commented on the service they had received. When they buy a ticket on the sort of ship such as we sail, it states a "rough passage," and in the wintertime it is rough.

When a man like Irwin comes aboard the ship and expects *Queen Mary* or *Normandie* service aboard a freight ship that was built during the war to be sunk, I do not see where he has any kick at all. We are short-handed; we cannot cater to passengers. The steward's department is short-handed. There are more now, but not at that time.

Senator GIBSON. How many passengers does the ship carry?

Mr. COLLINS. They carried 12 at that time; since that time they are only certified for 8.

The CHAIRMAN. Your agreement was signed before this.

Mr. COLLINS. It was not in effect on the *Black Falcon*. Our agreement went into effect as the ships returned from Europe.

The CHAIRMAN. We were assured by a witness at a previous hearing that everything was in apple-pie order.

Mr. COLLINS. This is the last of them.

Senator MALONEY. Aside from the union conditions, now do you find conditions generally aboard ships which you have sailed?

Mr. COLLINS. Deplorable. Living conditions are bad. The food is good, but the living conditions on those ships are terrible for the licensed personnel and the unlicensed personnel, both.

Senator GIBSON. As a delegate, in your position have you attempted to give any directions to the master?

Mr. COLLINS. Never.

Senator VANDENBERG. You would agree, Mr. Collins, with my viewpoint—I shall speak for myself—that regardless of what happened when the ship was at sea, you would have no right or justification for interfering in any way with the authority of the master?

Mr. COLLINS. I would say that we have not. I don't know of any occasion on any ship that I have been on.

Senator VANDENBERG. I do not mean to try to commit you. I would be glad to have Mr. Emerson equally free to answer.

If we find situations which seem to indicate that there are frequent cases where your men go far beyond what you state to be your belief, with respect to the authority of the master at sea, you undoubtedly would be glad to join with us in trying to correct that sort of situation?

Mr. COLLINS. Yes, sir—that is, of course, if the usual procedure was not followed; that these inadequate maritime laws were not so interpreted that we would get altogether the worst of it.

The CHAIRMAN. You are now talking of the "*Algic*" case?

Mr. COLLINS. No; I am speaking about any case in general.

Senator VANDENBERG. What do you mean?

Mr. COLLINS. It is hard for us to get a fair deal under present existing statutes.

Senator VANDENBERG. Do you qualify your answer to the question about the jurisdiction of the master at sea by saying that you reserve to yourself the right, first, of deciding whether or not you like the law?

Mr. COLLINS. No; we have to make the best of it and go by the master's decision at sea.

The captain of the ship I am on was on his vacation. He came back yesterday and knew that I was coming here. He said he would like to have the opportunity to state that in 45 years of going to sea he never knew of an incident where a seaman ever refused an order of the captain of the ship. He is speaking from his own point of view, for himself.

The CHAIRMAN. Thank you very much, Mr. Collins.

Mr. Emerson, will you proceed? We were having a little debate a few minutes ago about what we are going to have to do. We have no merchant marine of any consequence today, and Congress has been struggling along for a number of years to find some way of building one.

In spite of all the fair statements that you make, we have had before us during the past 2 weeks the representatives of the Naval Intelligence, Department of Justice, Maritime Commission, Department of State, and Department of Commerce, and we have found innumerable instances of bad conduct at sea. Of course, you deny all those things?

Mr. EMERSON. No; we do not deny them; we simply say we would like to have any specific instances brought to our attention. It has always been the custom, since I have been in charge, to give a Government body, when it asked for it, a memorandum to show the specific

instance. We would like to have a memorandum submitted to us, showing specific instances.

The CHAIRMAN. You are going to have all of them.

Mr. EMERSON. We submitted so many to Mr. Roper that after a while we began to call him Mr. Memorandum Roper.

The CHAIRMAN. No; we shall not begin to talk about the officials of the Government.

Mr. EMERSON. No; they came in for enough investigation before.

The CHAIRMAN. They may come in for some more, and you are going to have a good vigorous one yourself.

We want to build up an American merchant marine. Is it not just as much to the advantage of the sailor men to make that possible?

Mr. EMERSON. Yes, sir; it is to their great advantage.

The CHAIRMAN. Do you think you are helping?

Mr. EMERSON. We do. We are helping. I should like to know something: Where are all of these troubled conditions we are hearing about? All of the ships are sailing. As fast as our unions are signing agreements, everything is going along fine.

In regard to the *Black Falcon*, that ship was not affected for the reason that, when Mr. Curran was before the committee last, that ship was on the other side and had not got back. As the ships come in, they are brought under the agreement.

The CHAIRMAN. Your contention is that if your union is left alone it will solve all the problems?

Mr. EMERSON. We hope to solve most of them with the help and cooperation of the Maritime Commission.

Senator VANDENBURG. Have you ever taken any disciplinary action on complaints that have been made or when a ship has come home after having been at sea?

Mr. EMERSON. Have I myself?

Senator VANDENBURG. Has the union?

Mr. EMERSON. Do you mean to take action regarding the members?

Senator VANDENBURG. Yes.

Mr. EMERSON. Oh yes. We have had numerous men suspended for numerous activities. In fact, some of them have been suspended for a period of 99 years. We have had men suspended for being drunk on shipboard—men who have imperiled the ship. They cannot sail anymore; we do not want them.

Senator VANDENBURG. Is that action voluntary on your part, or does that follow some action by the Government?

Mr. EMERSON. That has been voluntary in some cases. We have had ship's delegates, like Mr. Collins, come up and say that such and such a man was drinking or doing something else unbecoming a union member and that they thought he was a menace and that disciplinary action should be taken in his case.

Such a person appears before a membership meeting, and a trial committee is elected which brings back its findings at the next meeting, and then action is taken.

Senator VANDENBURG. Would it simplify the whole problem if the delegate aboard ship withheld all his complaints until the ship again docked, so that he would not constantly be attempting to contact the captain regarding such matters?

Mr. EMERSON. In that case it would not be quite fair in regard to some of our older ships. At sea the ship's delegate can bring matters to the attention of the ship's officers. We have still got a lot of ships that are falling to pieces.

The CHAIRMAN. Are you aware of the fact that the Maritime Commission has made a survey of all of those ships?

Mr. EMERSON. Yes, sir.

The CHAIRMAN. And that the Maritime Commission has issued orders to the owners to do away with those defects?

Mr. EMERSON. Yes, sir; and the Maritime Commission has improved the living quarters on quite a number of their ships which are still operated by them.

The CHAIRMAN. Shipping Board ships?

Mr. EMERSON. Yes; they have.

The CHAIRMAN. As a matter of fact, they have made a survey of all the ships which are operated by them or which receive Government aid?

Mr. EMERSON. That is right; yes, sir.

The CHAIRMAN. Therefore, is it not fair to assume that the improvements are in process?

Mr. EMERSON. Yes, sir; they are right now. There will be improvements. I can see improvements coming on all the ships. The only thing we don't want to go back to is the situation that existed around 1931, 1932, and 1933, which led up, as you know, to the Black investigation and to an investigation by your committee of irregularities in the Department of Commerce and other matters of that type. We do not want to have to get back into a situation like that.

The CHAIRMAN. Do you not think we might avoid that if we put all these ships under the Navy?

Mr. EMERSON. Is it the policy of our Government to interfere in private business?

Senator VANDENBERG. At the moment it is.

Senator DONAHEY. Have you observed any organized propaganda against your organization?

Mr. EMERSON. Yes, sir. I made comment on that at the beginning of my statement this morning.

The CHAIRMAN. You referred to the March of Time?

Mr. EMERSON. And to the Washington Post, of course.

Senator GIBSON. Do you think the maritime bill of 1936 has worked out fairly well?

Mr. EMERSON. It will work out. Part of it is workable, and part of it will be workable with certain amendments. Naturally, it was a big piece of work when it was pushed through, and it was pushed through in a hurry, and there are defects which will have to be remedied.

The CHAIRMAN. I wish I could feel that it was pushed through in a hurry. I remember sitting here for several years while the bill was being formulated.

Mr. EMERSON. In finishing up the statement about the *Black Falcon*, I shall submit these two press releases, signed by John I. Kenkins and Russel Bardwell, who were members of the maritime union. They read as follows:

NATIONAL MARITIME UNION OF AMERICA

NEW YORK CITY, N. Y.

[For immediate release, Wednesday, Dec. 15, 1937]

National Maritime Union officials tonight described the account of the voyage of the Steamship *Black Falcon*, as told in a letter by Daniel B. Irwin to Senator Royal S. Copeland, "as another attempt to blacken the character of the American

Merchant Marine and union seamen in order that the antiunion maritime bills now pending in Congress might be passed by gullible Congressmen and Senators as a 'whitewash'."

National Maritime Union officials assert that recent developments in the story prove that Mr. Irwin was not an "innocent bystander" on the *Black Falcon*, nor is his account an entirely objective one.

"We now discover," said Joseph Curran, general organizer for the National Maritime Union, "that Mr. Irwin is a consulting engineer for several petroleum companies. What companies? Have they any connection with the shipping industry? Our opinion is that Irwin not only was not a disinterested passenger on board the *Black Falcon* but was placed there in order to gather 'evidence' with which to discredit the N. M. U."

Partial proof of this statement is borne out by the affidavit of two members of the unlicensed personnel of the vessel (which is enclosed) and by Irwin's assertion that he made to reports when interviewed at his home that the blame for the entire situation rests with "reds" who dominate the N. M. U.

"Irwin's red-baiting charge," declared Frederick Myers, chairman of the district committee of the National Maritime Union, "reveals quite plainly to the members of the Union the motive behind his whole story."

"In disparaging the leaders of the N. M. U. as 'red' he disparages the aims of the union which the leaders are trying to carry out in behalf of the membership. In turn, the attempt of the National Maritime Union and other maritime unions to defeat the antiunion bills now pending in Congress loses considerable weight with our legislators."

Union officials feel that if the crew had misbehaved in any way, the president, Victor J. Sudman, of the Black Diamond Line which operates the vessel, would not have termed Irwin's report "a gross exaggeration."

Nor would a deputy commissioner at the office of the United States shipping commissioner, which has never shown any appreciable friendliness to maritime unions, declare that he doubted the accuracy of the account.

It is significant that Captain Carver, in command of the vessel, who is known as a strict disciplinarian, made no mention of difficulties in the ship's log.

NATIONAL MARITIME UNION OF AMERICA

NEW YORK CITY, N. Y.

[For immediate release, Wednesday, December 15, 1937]

In reply to the letter of Daniel B. Irwin as written to Senator Royal S. Copeland, chairman of the Senate Commerce Committee, and printed in the New York Herald Tribune and other antilabor papers December 15, 1937, we the undersigned, members of crew of the steamship *Black Falcon*, wish to make the following statement in rebuttal to the attack made by Mr. Irwin.

1. The derogatory statements regarding the character of the licensed personnel were entirely unfounded. These officers conducted themselves at all times in a competent, capable, and responsible manner.

2. At no time during this passenger's trip were any members of the crew drunk nor did anyone fail to perform his duties. Neither was there any "snarling or threatening" done by the crew, in the extremely rough weather, which incidentally prevented the crew from working on deck, but at that time we were engaged in painting store rooms, that this passenger did not have access to. It was also due to the severe weather that our passenger could not get his "fried eggs" for breakfast but was offered in lieu of these either poached or boiled eggs, which he refused. The other passengers, officers and crew had boiled eggs on this occasion, due to the danger of spilled grease burning the cooks.

3. Regarding the deck cargo, that on the fore deck, empty wooden barrels, were thrown overboard by the watches on deck as we were shipping water, and the floating barrels endangered the lives of the crew. This was done on order of the officers. The cargo on the after deck consisting of drums of alcohol were secured with chains, wire, and turnbuckles and a report of its condition given to the bridge every half hour. We did not lose more than two or three of these drums.

4. "The crazy steering" incident occurred only momentarily when work was being done on the binnacle, and it was impossible for the wheelman to keep the ship on its course temporarily. It is doubtful that the vessel went as much as 1 point out of the way, much less 45 to 120 degrees.

We joined the *Black Falcon* September 18, 1937, one trip before Mr. Irwin made his "zigzag voyage to Europe." The chief mate was at that time aboard in his official capacity and from that time until the 3d of December last there has not been any strike of any kind aboard the vessel, nor has the steward received his alleged beating during this time. Neither did he ever receive any ill treatment at the hands of this or any other crew of the Black Diamond Line.

In conclusion, let it be stated that if this passenger had observed the rules of the United States Steamboat Inspection Service, he would not have been ordered from the bridge as he did not belong there.

In our opinion, this man was placed on this ship by persons interested in attempting to discredit union seamen and the American merchant marine, and he therefore played the role of provocateur.

(Signed by) JOHN I. KENKINS, O. S.
RUSSEL BARDWELL, A. B.

The CHAIRMAN. I wish to place in the record at this time this material which I have here.

Mr. EMERSON. That is not going in with my testimony?

The CHAIRMAN. Well, it will be put in at this time.

Senator VANDENBERG. Just as an exhibit.

The CHAIRMAN. Under date of December 23, 1937, I received from Mr. Edward C. Pinchin, secretary and business manager of the National Organization of Masters, Mates, and Pilots of America, the following letter:

NEW YORK, December 23, 1937.

HON. ROYAL S. COPELAND,
Senator, United States Senate,
Washington, D. C.

MY DEAR SENATOR: Herewith is a copy of a letter which is self-explanatory. Our organization, together with all marine groups, resent bitterly the implications contained in the much publicized Irwin letter. We particularly resent your apparent sanction of featuring same. Your experience and position as chairman of Commerce Committees, we believe, entail the obligation to investigate and corroborate any data publicly released, but obviously, this was not done.

Marine observers are aghast at the countenancing of testimony deliberately calculated to smear the American merchant marine. No more effective propaganda for driving the American flag from the passenger trade could have been employed. The natural result of this ill-advised incident is to arouse fear, disrespect, and contempt in the minds of American travelers and herd them under alien-flag ships when sailing on pleasure or business.

The wide credence placed in this letter, because of the source of disclosure, will loose a flood of similar epistles from any irresponsible voyager who nurses real or fancied grudges. Seasoned travelers are appalled at the mental and social torture inflicted upon ships' officers by egocentric passengers who infest ships to solace themselves from emotional inadequacy ashore. It is a source of great wonder that such individuals receive patient, courteous, and invariably fair treatment from our merchant marine personnel.

The officers assailed in Mr. Irwin's letter are long experienced, able, and efficient, and the stigma placed upon them by public censure, in which they are prejudged without regard to their constitutional rights, is damnably libelous and un-American. Our organization means to vindicate these men, not only for ethical reasons, but also because we feel their condemnation is the condemnation of our American merchant marine and in particular, of the Black Diamond Steamship Company which is smeared with its employees.

We are not inclined to table or hush this matter and request you, as a matter of elementary justice, to give the owners and crew of the *Black Falcon* the same publicity in vindication as Mr. Irwin was given in the practically baseless and exaggerated accusations his letter conjures up. We will await your reply with interest.

Yours sincerely,

EDWARD T. PINCHIN,
Secretary and Business Manager.

The CHAIRMAN. The letter to which he refers, dated December 19, 1937, reads as follows:

BALTIMORE, MD., December 19, 1937.

Subject: Mr. Daniel B. Irwin.

Mr. EDWARD T. PINCHIN,
New York, N. Y.

MY DEAR MR. PINCHIN: Mr. Irwin was a passenger on my steamer, the *Black Falcon*, sailing October 30, 1937, from Weehawken, N. J. On the second day out he made every effort to have some of the passengers make a written complaint such as he made. When the chief officer complained to me about the conversations he overheard Mr. Irwin and the other passengers engaged in, I made very effort to be where he was when possible, so that he would have an opportunity to complain to me. He never complained at all to me. I emphatically deny that the crew were drunk. At no time do I serve the crew liquors. At all times the crew have been courteous to the passengers and all others on board. The steward was not beaten, as quoted by Mr. Irwin. I have had the finest crew that I have had in several voyages. Mr. Irwin expected to be entertained and be served liquor. My officers and I are not in position, and due to limitation and at sea, to serve it. He was extended every courtesy, as was every other passenger. In regards as to the cargo being thrown overboard, was done on my orders, not, as he said, by drunken crew. The ship was heavily loaded and drawing 24 feet mean draft and decks were practically awashed the whole voyage. The third mate requested him to leave the forecastle head while changing the course three points to throw empty barrels overboard. After that the ship was put back on her regular course. I explained to Mr. Irwin the dangers of being on the forecastle head at such times as the vessel was shipping heavy waters.

Mr. Goodman, chief officer, has had 10 years' service with the Black Diamond Steamship Co., Mr. Ellen, second officer, 5 years, Mr. Wank, third officer, 11 years, and I have served 14 years as master with the Black Diamond Lines. This is the first complaint of its kind with said company.

Mr. Irwin's whole statement is a gross falsehood

E. W. CARVER,
Master, Steamship "*Black Falcon*."

(Following is the reply of Senator Copeland to Captain Pinchin:)

DECEMBER 28, 1937.

Capt. EDWARD T. PINCHIN,
Secretary and Business Manager,
Room 1103, International Commerce Building,
15 Moore Street, New York, N. Y.

DEAR CAPTAIN PINCHIN: I have your letter of December 23, with enclosures, relative to the Daniel B. Irwin letter inserted in the record of the hearing on S. 3078, held under date of December 14, 1937.

I am very glad to have your views and those of Captain Carver in this connection. Your letter with enclosures will be presented to the committee for its consideration, as was done in the case of Mr. Irwin's communication and others which we have received.

The letter of Mr. Irwin was read during the hearing for the following reasons:

First, the witness, Mr. Borow, who was making the statement before the committee, declared he had signed a "very good contract" with the Black Diamond Line on September 30, 1937. In view of the fact that Mr. Irwin's voyage came after that date, October 30, 1937, it was only fair to read a letter which disclosed unsatisfactory conditions aboard a Black Diamond Line ship. The committee was naturally curious to know why there still seemed to be dissatisfaction on the part of the crew, although a satisfactory contract had been signed. Mr. Borow's explanation, therefore, was desired.

Second, the committee wished to present such a letter as an example of the numerous communications of like nature which have come to us from reliable sources, including United States consular reports and other Government records.

As I have said before, the committee intends to be impartial in the matter of merchant marine difficulties. We shall be glad to have representatives from all sides present testimony.

Cordially yours,

ROYAL S. COPELAND.

(The following letter is placed in the record at this point at the request of the writer:)

JANUARY 7, 1938.

Senator ROYAL S. COPELAND,
Chairman, Committee on Commerce,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I wish to make a statement which I request that you incorporate as evidence into your report on hearings on the amendments to the Merchant Marine Act of 1936.

I am a radio officer on the steamship *Black Falcon*, operated by the Black Diamond Line of New York, and was employed in this capacity during the voyage on which one Daniel B. Irwin was a passenger.

Mr. Irwin is the same person who on December 3, 1937, addressed a letter to you in which he complained about conditions aboard the *Black Falcon*. This letter has been published in part 3 of a document printed by the United States Government Printing Office, Washington, D. C., and is entitled "Hearings Before the Committee on Commerce and the Committee on Education and Labor, United States Senate, Seventy-fifth Congress, Second Session on S. 3078, a bill to amend the Merchant Marine Act of 1935, and for other purposes."

Since the officers and crew of the *Black Falcon* have been so unjustly accused of such fantastic and ridiculous charges, and since these accusations have been given such widespread publicity in the press and radio, thereby creating misconception in the minds of the American public who are not familiar with conditions in the maritime industry, and in defense of the American seamen, I give you the true facts of what really transpired during the voyage Mr. Irwin refers to.

Concerning Mr. Irwin's charges that an intoxicated crew threw cargo overboard, I would like to state that the crew was far from being intoxicated, having to risk their lives in order to jettison loose empty barrels which were loaded two deep on the forward deck. After running into heavy weather in a severe storm, the vessel started shipping heavy seas on the forward deck and throwing these barrels against vent pipes, deck wenches, cutting tarpaulins which covered hatches and knocking "dogs" off watertight doors, behind which cargo was stowed. Anyone with common sense and a little knowledge of ships can readily understand the amount of damage these barrels could have done to cargo and vessel.

In reading newspaper accounts of Mr. Irwin's experiences on the *Black Falcon*, as well as his letter to you, especially that portion which referred to drunkenness of the crew, I was very much amused, due somewhat to the fact that Mr. Irwin personally offered me a drink of liquor, which I politely refused. Other members of the crew advised me that Mr. Irwin had also offered them liquor, but which they too refused to accept.

I can positively state that at no time during the voyage did I see any members of the crew intoxicated, except the cook who was discharged at the first American port. I wish to remind you, Mr. Senator, that it was very well known that the cook, of whom Mr. Irwin complained, received his liquor from Mr. Irwin. Because of his association with Mr. Irwin on board the vessel and because of other deficiencies, the crew voted that the cook be discharged at the first American port.

Mr. Irwin made himself personally obnoxious to every officer of the vessel and to all members of the crew because of his many foolish and ridiculous complaints. I do not know of a single member of the crew or the officers who had the least affection for Mr. Irwin. This was not true of the other passengers, however, from whom we heard few complaints either about the service, discipline, or conduct of the crew toward them.

The statement that Mr. Goodman, chief officer, was a "Red" and leader of a "Hooligan crew", is as amusing as it is absurd. However, this form of propaganda is nothing new to the American seamen, as we have been called almost everything under the sun. I make the statement, Mr. Senator, that we are not "Reds," and that there are as many 100 percent democratic thinking Americans in our American Merchant Marine today as in any other form of American life. Democratic and progressive unions have done much to educate American seamen in political and national affairs, and today more American seamen cast their ballots in national or State elections, than ever before.

Chief Officer Goodman, with 25 years' service in the American Merchant Marine, is an American in every sense of the word. He has always appeared to me to be a very conscientious, capable officer, popular, and well-liked by his shipmates, officers and crew alike.

Mr. Irwin's assertion that the second officer, Mr. Ellen, is a "surlly and disagreeable character," is also ridiculous. I wish to state that the exact opposite

is true. Mr. Ellen is always pleasant, courteous, and congenial to everyone, and is a graduate of the New York State Nautical School Ship, which is noted for the excellent officers which it graduates every year.

Mr. Irwin states that the third officer, Mr. Wank, is a Lithuanian and "spoke English in a broken manner." Well, if this be true, and if this is a good reason why he should not be an officer of the vessel, it seems that Congress should modify the law preventing any officer from working on an American vessel unless he is American born or unless he is able to speak English perfectly. Why, Mr. Senator, did the steamboat inspectors issue a license to the third officer if he is not qualified to handle the job? Does Mr. Irwin think the steamboat inspectors made a mistake? So far as my acquaintance with the third officer goes, he speaks English that is perfectly understandable, even by Mr. Irwin, for I wish you to know Mr. Senator, that it was this same third officer who advised Mr. Irwin that by Federal law he was not allowed on the navigating bridge or in the wheelhouse. There is a notice posted in the wheelhouse advising everyone that Federal law prohibits any person, except those who have business there or who work there, from frequenting this part of the vessel. It seems that the English used by the third officer when he advised Mr. Irwin of this fact, was easily understood by Mr. Irwin. It may be possible that Mr. Irwin's dislike of the third officer may be due to the fact that he was living up to Federal laws enacted by Congress. I might say that any officer, and every officer who has charge of a watch either on the bridge or in the engine room below, is required to inform passengers and other persons that they are not allowed on these parts of the vessel when it is being navigated. From my observations, I believe Mr. Wank to be a very capable officer.

Mr. Irwin states that on one occasion the vessel was off its course at least 120 degrees. I am wondering just how Mr. Irwin could determine this fact, were it a fact? Unless he had a compass which had been corrected by experts and which was installed in such a way so he could determine the exact course of the vessel, he would never be able to know how far the ship was off its course. How could he determine or know that the compass was spinning around if he were not allowed on the bridge? Might it not have been possible that the master of the vessel changed the course due to heavy weather, as is frequently done by all ships running on the North Atlantic? Even if Mr. Irwin is a navigator, he could not determine the exact course of the vessel or how much it was off its course unless he visited the bridge at the time.

It must be remembered, Mr. Senator, that the *Black Falcon* is a freight vessel designed exclusively for cargo service, and has very poor accommodations for rendering passengers that exclusive service which they receive on board luxurious liners of the North Atlantic. The *Black Falcon* was built in Hog Island and designed for cargo service. The rooms occupied by the passengers are those rooms formerly used by the officers or members of the crew, and it is unthinkable that such a vessel can render the service which passengers sometimes expect when traveling on a passenger ship.

A passenger on the *Black Falcon* pays \$62.50 for his passage from New York to Antwerp (or Rotterdam), a distance of approximately 3,300 miles, and which requires 10 to 11 days to negotiate. At 10 days, the passenger pays \$6.25 per day for his room, board, and for traveling approximately 3,300 miles over the rough, heavy seas, against strong winds frequently of nearly hurricane force on the North Atlantic. At less than 2 cents per mile, a passenger may travel to Antwerp (or Rotterdam) from New York with fairly good food, a good, warm, steam-heated room on a ship which is comparatively fast, steady, and safe. Yet, despite this bargain rate, we frequently hear complaints from such unreasonable travelers as Mr. Irwin, who apparently expect to receive Ritz-Carlton service at lodging-house rates.

Apparently, Mr. Irwin knows very little about ships or the maritime industry, and above all, he knows nothing about the life or the work of the men who man and run the ships of the American merchant marine. Mr. Irwin is not exactly a rare type among travelers on the sea. Ships, such as the *Black Falcon*, have been carrying a few passengers for many years, and during all of these hundreds of voyages of similar vessels, men of his type have made complaint about the service which they received from the steamship company. These passengers are a type which travel on such ships in order to save money on their passage, and attempt to make others believe that they are accustomed to receive much better service on other vessels. The only difference between Mr. Irwin and some of the others referred to, is the fact that Mr. Irwin "made the front page." He took advantage of the Senate committee's investigation to throw a bad light upon the

humble sailors, who man the ships that carry passengers such as he, and thousands of tons of valuable cargo safely through the seven seas.

After reading such gross misstatements and fabrications of the conduct of the officers and crew of the *Black Falcon*, one would wonder if Mr. Irwin's efforts were not part of an organized campaign, purely to discredit the American seamen and the maritime labor unions.

I have been a radio officer for more than 10 years, and have sailed to nearly all parts of the world on vessels flying the Stars and Stripes, more than 9 years of which were prior to the organization of the American seamen, and I wish to advise you, Mr. Senator, that I found the discipline and conduct of the crew of the *Black Falcon* fully as good as that which I have ever witnessed on any other vessel on which I have been employed.

In conclusion, I must state that the officers and unlicensed men of our merchant service are ready and willing at all times to render efficient and courteous service to passengers and shippers alike. We, the men who actually man these vessels, are more anxious than anyone to uphold the fine traditions of the American merchant marine.

Very respectfully yours,

GERALD HILTZ,

Radio Officer, S. S. Black Falcon, Black Diamond Line, New York, N. Y.

The CHAIRMAN. Now, I wish to read for the record a letter I have received from Mr. Louis J. Kleinklaus, acting general secretary and treasurer of the Commercial Telegraphers' Union marine division, under date of December 16, 1937. It is as follows:

DECEMBER 16, 1937.

HON. ROYAL S. COPELAND,

Senate Office Building, Washington, D. C.

DEAR SENATOR COPELAND Today's press brings out statements and affidavits given as evidence before your committee Wednesday by Mort Brow representing the Communist American Radio Telegraphists Association, relating the compulsion by this organization, of one-time member, Radio Operator Edgar S. Johnson, to pay \$5 to hold his job on the steamer *City of Birmingham*. We hold that this statement is grossly untrue and personal examination of the maker would eliminate credence in the affidavit and how it was obtained.

The most harmonious contractual relations exist between this organization and the Ocean Steamship Co. of Savannah, owner of the above vessel. One of the requisites of the contract is good standing of the radiomen in this organization. Further, on grounds of the numerous reports made to us, this Johnson had been relieved of duty and membership in this union because of his Communist agitation of the ship's crew under the direction of the Communist A. R. T. A. Under our agreement with the above owners, improper conduct will not be upheld.

This organization takes the stand at the present time, that any steps taken by Congress to correct the terrible chaos existing in the maritime industry, as a result of widespread Communist activity, is a step in the right direction, whether it be by mediation board or otherwise.

We feel further, that withdrawal of power over labor conditions in this industry held by the N. L. R. B., and substitute therefore a trustworthy governmental agency will be a step forward in eliminating Communist hoodlumism on ship-board. We can refer you to the Ocean Steamship Co., the Colombian Steamship Co., and the A. H. Bull Steamship Co., to name a few, who have contractual relations with this union and other A. F. L. unions, wherein Communist agitation is nonexistent and do not have the conditions set forth in the justifiable letter of Daniel B. Erwin in Tuesday's testimony.

We have knowledge of Communist intimidation and violence upon members of this organization because of their union affiliation, equal to that experienced on the steamer *Black Falcon*.

We ask you to have this letter inserted as evidence in the record of testimony before your committee.

Please feel free to call me for testimony at any time.

Respectfully yours,

LOUIS J. KLEINKLAUS,

Acting General Secretary-Treasurer.

C/f Hon. Schuyler O. Bland, chairman, House Merchant Marine Committee.

A third letter which I wish to read for the record is as follows:

HARTWELL BROS.,
Memphis, Tenn., December 18, 1937.

Senator ROYAL S. COPELAND,
Chairman, Senate Commerce Committee,
Washington, D. C.

DEAR MR. COPELAND: I happened to read in the New York Herald Tribune an account of the Senate hearing pertaining to conditions on the S. S. *Black Falcon* of the Black Diamond Line.

This last summer I went and returned from Europe on the Black Diamond Line and it seemed to me that the lack of discipline on both ships was very evident and that the passengers suffered for this, especially on the return journey in connection with the service in the dining room.

As a result of my experience, I made up my mind that if I ever crossed the ocean again, I would do so on a foreign ship.

Sincerely,

B. A. COPP, Jr., Vice President.

Senator VANDENBERG. In the *Black Falcon* case you get a typical example of the thing that the committee is up against from start to finish, a diametrically opposed statement as to the facts involved. It seems to me in this instance there is opportunity to at least partially determine who is right and who is wrong. Mr. Collins says these passengers wished to withdraw their complaints. I suggest that the committee correspond with them and find out.

Mr. EMERSON. Further on that, Senator Vandenberg, I understood it from both sides that, as a general rule, unless the captain is brought up on charges, the captain's word would also be taken into consideration. The captain on that ship has stated that the charges made by Mr. Irwin are false.

The CHAIRMAN. Do you think that under any circumstances the captain is now intimidated by the power of the union?

Mr. EMERSON. No, sir.

The CHAIRMAN. Would you be surprised to know we have had testimony to the contrary?

Mr. EMERSON. No; I would not be surprised. Nothing surprises me any more regarding testimony.

Another incident, which I shall not take up in detail because I hope the representatives of the Pacific will take it up, is the incident on the *President Hoover*.

Senator GIBSON. The recent incident?

Mr. EMERSON. The recent incident, when she went ashore off the tip of Formosa. These are statements from various papers, which I shall ask be incorporated in the record.

(The newspaper clippings referred to are to be incorporated in the record at this point.)

CREW OF "HOOVER" TELL STORY—EXPERIENCE 'QUAKE ON ISLAND—CHRISTMAS MAIL ON "PRESIDENT PIERCE"—RAN ON TO REEF

AN EARTHQUAKE WHICH GAVE THEM MORE OF A SHOCK THEN THE GROUNDING OF THE "PRESIDENT HOOVER" WAS SPOKEN OF BY MEMBERS OF THE CREW OF THE WRECKED VESSEL WHEN THE "PRESIDENT PIERCE" ARRIVED LAST NIGHT WITH 229 OF THE "HOOVER'S" CREW

Men declared that if the *Hoover* had not changed her course to go around a group of islands to the south of Formosa, instead of between them as was the usual course, the accident would not have happened. As it was, it was merely the space of a minute or so that decided the matter.

"If we had been a minute faster in turning to go outside the islands," asserted a seaman, "we'd have been all right. We just hit a coral reef at the northern tip of Hoishoto Island."

The *President Hoover* ran aground on Friday night while on her way to Manila from Kobe. The passengers were taken on to Manila on Tuesday by the *President McKinley*, and on the following day, the *President Pierce*, from Kobe, picked up the majority of the crew.

Members of the crew related how, just about midnight, while traveling at her regular speed of 19 knots, the *Hoover* ran straight on to the reef, bringing her bows high and dry.

Later she listed and swung broadside on.

There was no panic among the passengers, who were very well-behaved, and everybody stayed on board until morning, when lifeboats took them ashore.

CHRISTMAS MAIL ABROAD

At present the vessel is lying on her bottom and is perfectly safe. The only damaged part is the bottom. There is 23 feet of water in No. 3 hold, and 12 in No. 2. No more water is coming in. All the cargo and about 4,000 bags of mail are still on board, though all registered and first-class mail has been taken off.

Incidentally, 468 bags of Christmas mail from the *Hoover* was brought to Hong Kong.

"We had a tough time," said one of the men, "but considering everything, we got a pretty good break. The Japanese did all they could be expected to do for us.

"The people on the island were very primitive, and had never seen a white man before. We had to sleep where we could—in the schoolhouse, out in the open, in the houses, together with pigs and chickens which lived with the people."

The women and children received preference in choice of accommodation and the rest made out as best they could. Later, some of the crew went back to the ship.

"We had plenty of food from the *Hoover*," another seaman said, "but fresh water was scarce, as sea water had seeped into some of our tanks.

"We spoilt the fishing for the islanders by pumping out oil when we ran aground," he went on.

Electricity was still to be had on the ship, and moving pictures were shown.

EXPERIENCED EARTHQUAKE

Referring to the earthquake, which occurred about 3:30 on Wednesday morning (after the passengers had gone), a man said it sent him out of his bunk onto the floor. It was a sudden tremor and lasted only a short while. No damage was done.

"My first impression was that the ship was cracking up," he said, "but when I got on the deck, I saw how smooth the sea was. It just gave us one good shaking."

When told that according to a Manila report the Chinese members of the crew had not been allowed to go ashore by the Japanese authorities, the men said the Chinese had come ashore with them and slept out. Later they went back to the ship, and some were still there.

The *Hoover's* crew spent last night on board the *President Pierce* and will probably leave her this morning. They expect to go to the United States on the *President McKinley* which comes in on Monday from Manila with the *Hoover's* passengers.

The *Hoover* is now attended by the Japanese salvage tug which left Hong Kong last week with Mr. T. B. Wilson, local agent, and Mr. T. H. Brayfield, marine expert. Lloyd's agent is also on the scene.

The cause of the wreck and the extent of the damage and the prospects of salvage will not be known for some time as investigations are not yet completed.

MANILA REPORT

MANILA, December 16.

Looking little the worse for their adventure, 453 *President Hoover* passengers have arrived here safely aboard the *President McKinley*.

They reported that the Japanese authorities on Houshoto Island, where the *Hoover* is stranded, refused to permit the Chinese members of the disabled liner's crew to go ashore.

The passengers added that the *Hoover* was hard aground and it would require dynamite to move her.

—Reuter.

[From the San Francisco Chronicle, January 5, 1938]

LETTER DENIES CREW STRUCK ON "HOOVER"—ACTING SHIP'S DELEGATE HOLDS DISCIPLINE CHARGE ALSO FALSE

A letter from the acting ship's delegate of the shipwrecked *President Hoover* denying statements there was lack of discipline and that the crew struck for higher wages at the time the *Hoover* was disabled was received here yesterday.

It was written by Frank Marcigan "on board S. S. *President Grant*, anchored at Hoisho Beach" in response to a radio request from Randolph Meriwether, business manager of the Marine Engineers' Beneficial Association. Meriwether declared he will forward the letter to Senator Copeland who made the charges.

SQUASH RUMORS

"As our representative, we depend upon you to squash all rumors that are a detriment to the merchant marine," Marcigan wrote Meriwether. "We cannot over emphasize the fact that there was never any refusal of orders or complaints from any man in the engine department at any time the ship was on the rocks."

When engine-room volunteers were called for, more than enough responded, although the men were warned they were remaining aboard at their own risk, Marcigan stated. The crew in other departments remaining aboard were taking their chances with salvage but members of the engine-room department had had "past experience with ship wrecks and salvage" and voted instead to ask for a cash guarantee, he reported.

PAY INCREASE ASKED

This decision was reached because the vessel was in the hands of the insurance company. Men employed by the insurers put aboard were being paid two and a half times their regular pay, the engine force was informed, so we asked for a minimum salary of \$10 a day per man and pro rata for engineers," said Marcigan.

This was agreed to by Captain Yardley of the *Hoover* and by Captain Anderson for the insurers and an agreement was signed, declared Marcigan.

"In regard to this agreement, understand that at no time has any man of the engine department, and this means all the men, refused any duty," he wrote.

GREAT RISK

"From the time the vessel went on the rocks up to the present date (Dec. 23), the men who worked in the engine room and fire rooms did so at a great risk," according to the ship's delegate. "The ship was on the windward side of the beach and due to monsoon weather took a terrific beating. In addition to the risks previously encountered, the men were placed under a greater hazard the morning of December 20. All lifeboats on the windward side of the vessel were carried away."

Although water was leaking through bulkheads into the fire room and the men were working behind watertight doors holding back 20 feet of water, "every man remained at his post, without a complaint from anyone," according to the report made to Meriwether. Marcigan referred to the ship's log and to the commander of the destroyer *Alden* for confirmation of his letter. It was signed by him on behalf of "all men aboard the S. S. *President Hoover*."

RETRACTION DEMANDED

In connection with the same charges voiced by Senator Copeland, West Coast Local 90 of the Masters, Mates and Pilots announced yesterday that organization had instructed its attorney to demand a retraction from publishers of *Time* magazine for the statement allegedly made that officers and crew of the *President Hoover* were "last minute pickups from west coast hiring halls and that officers and crew broke into the ship's bar and went on a drunken spree."

[From the New York Times, January 9, 1938]

DISORDERS DENIED BY "HOOVER'S" CREW—STEWARDS' DELEGATE DECLARES WRECKED PASSENGERS MADE UNREASONABLE DEMANDS—WILL FACE AN INQUIRY—COMMERCE DEPARTMENT HAS FIVE AFFIDAVITS CHARGING SAILORS WITH DRINKING

SAN FRANCISCO, January 8 (A. P.).—Passengers of the wrecked liner *President Hoover* expected "Waldorf service" and complained of the food while they were castaways on rocky Hoishoto Island, members of the ship's crew declared today in replying to complaints of misconduct.

Sam Cohen, stewards' delegate, denied published reports that the seamen became intoxicated, molested women, and rioted.

"We took off all the passengers in less than 9 hours without a casualty," Cohen said. "Does that sound as if the men were drinking?"

"They said we broke into the bar. * * * Liquor supplies were taken ashore and placed in the hands of the ship's surgeon. Some of the bottles disappeared, but nobody in the crew got them."

The Dollar liner *President McKinley* brought 165 of the seamen here from Manila yesterday as a Department of Commerce marine investigating board opened a hearing into the wreck. The \$8,000,000 *President Hoover*, also owned by the Dollar Line, piled on a reef off Hoishoto Island, southeast of Formosa, December 11. She carried 453 passengers and 408 crew.

Cohen told reporters that the sailors served the passengers first during their 3 days on the island, and then received only raw meat and left-overs.

SAYS TOO MUCH WAS EXPECTED

At night, he said, the passengers used all available blankets while the crew huddled behind baggage and shivered through sleepless nights.

"Some of the passengers couldn't seem to understand the problems we faced and demanded their bags, bedding, privacy, and services that simply couldn't be given," Cohen related.

"A passengers' committee waited on us complaining of the food. I don't know what they expected. We had only an open pit in which to broil meat, and, of course, we had no silverware and china. It wasn't Waldorf service, but there was plenty of hot coffee.

"The past 20 days have been no fun, either. We've been in this little compartment for 3 weeks. We have had one salt-water shower and two washbowls and had two linen changes. Oh, this is the life of Riley, all right—shipwreck, false charges, 3 weeks of steerage and out of work."

AFFIDAVITS TO BE USED

[Special to the New York Times]

WASHINGTON, January 8.—Five affidavits from passengers aboard the *President Hoover*, when that vessel went aground recently and who were taken to the island of Hoishoto after being rescued, accuse a "relatively small" number of the crew of being drunk and annoying passengers during the first night spent on the island the Commerce Department announced today.

The affidavits were transmitted to the Commerce Department by the State Department, and they will be used as evidence against the accused before a marine casualty investigation board, that has been convened at San Francisco.

While the statements accused certain members, the announcement said, several referred "very favorably to certain individuals and to the majority of the crew in general."

Names of the signers are being kept secret until the affidavits are produced at the hearings. If it is shown that criminal action should be taken, the Department said, the evidence will be turned over to the Justice Department.

The CHAIRMAN. What is your attitude about the charges that have been made in respect to what happened on the *President Hoover*?

Mr. EMERSON. I am not in a position to state. I can only state what has been forwarded to me from San Francisco, and I hope the question will be taken up when the west coast representatives arrive.

There is one telegram which I wish to read. With all due deference to this august body, I have to read this because it was sent to me to be read.

The CHAIRMAN. Go ahead and read it.

Mr. EMERSON. It is dated December 17, 1937, and is addressed to me. It reads:

Meeting on record condemning Copeland for lying statements that *Hoover* crew drunk and abused passengers. Request you enter protest on behalf of marine firemen and demand retraction from Copeland.

R. J. FITZGERALD, Secretary.

The CHAIRMAN. When do you want the retraction?

Mr. EMERSON. I don't know when I am supposed to get the retraction, Senator Copeland.

The CHAIRMAN. Well, I hold in my right hand, from the Department of State, affidavits which the consuls have received, indicating that the charges made against some of the crew of the *President Hoover* are quite justified. Of course, I might have lied about it, but not without knowing anything about it.

Why did you put that in the record?

Mr. EMERSON. This?

The CHAIRMAN. Yes. Just for fun, I would like to know; I do not care a rap about it.

Mr. EMERSON. Because I was told to put it in.

The CHAIRMAN. Do you think I lied about it?

Mr. EMERSON. I don't know.

The CHAIRMAN. You don't know?

Mr. EMERSON. No; I don't know. As I told you, this telegram was sent to me.

The CHAIRMAN. Are you lying about the things you are saying?

Mr. EMERSON. I hope not; I never have. I have been accused of telling the truth too often.

Senator VANDENBERG. I think the telegram once more, is typical of one of the difficulties that confront the committee.

Mr. EMERSON. That is true.

Senator VANDENBERG. This man has no right to make an assertion of that sort without proof to back it up.

Mr. EMERSON. I expect he has the proof, then, or I hope he has.

Senator VANDENBERG. Yes; I hope so, too, if he wants to justify himself at all, but I know he hasn't the proof, because we have the proof to the contrary, not the justified, ordinary hysteria that has gone on respecting the *Hoover*, but definitely justifying the fact that there are specific things involved that must be corrected. This is the thing that is in my mind. I noticed it in Mr. Collins' letter to you.

Is it possible for us to make a perfectly good faith inquiry into this situation and a perfectly good faith effort to correct things, with complete observation of all of your labor rights, and have the effort recognized as anything, so far as your group is concerned, other than an attack upon the unions?

Mr. EMERSON. Well, we have never had anything but an attack—continuous.

Senator VANDENBERG. Do you consider this inquiry an attack?

Mr. EMERSON. No; this inquiry should go on, and if there is anybody who did what is charged was done on the *Hoover*, he should be brought up on charges on that score, if any members of the crew did molest passengers, and naturally, I for one certainly would not condone that situation for a moment. Such people should certainly be brought up before the Department of Commerce and the union, and disciplinary action taken.

The CHAIRMAN. How are we going to find out whether or not your sailors are guilty?

Mr. EMERSON. The Department of Commerce is holding an investigation in San Francisco right now on that incident.

The CHAIRMAN. Are you willing to be governed by what the Department of Commerce discovers?

Mr. EMERSON. It is not the most impartial body in the world, but I will have to be governed by it, not through choice but through necessity.

The CHAIRMAN. If they find your sailors guilty, will you still insist they are not?

Mr. EMERSON. We naturally would if we thought they had been given a raw deal.

The CHAIRMAN. Do you get raw deals from departments of the Government? Do you get raw deals from Congress? Do you get raw deals from the maritime authorities?

Mr. EMERSON. In some instances, outside of the *Algic* case, I think they have been a pretty fair body.

The CHAIRMAN. Do you get raw deals from the departments?

Mr. EMERSON. No, not particularly.

Senator VANDENBERG. Was the *Algic* case a raw deal?

Mr. EMERSON. Yes, positively.

The CHAIRMAN. Why?

Mr. EMERSON. I will tell you exactly why.

The CHAIRMAN. Why did you not tell the court?

Mr. EMERSON. It has been told in court. The case is being appealed. We have every confidence that we are going to win that case.

I have been in Montevideo, Uruguay, and seen a strike in action. I have seen stevedores and longshoremen called off a job by what they call the deck steward. Something was wrong on the ship, and they didn't like it, so they struck ship. They all ran away at first, and I thought the thing was over; but they were running home to get their rifles and knives so that they could come back on the picket line. If you think I was on an American ship and was going back as a strike-breaker in place of them, you are crazy; I wouldn't do it.

That is what the captain of that ship asked them to do—work that ship with those Spaniards—hot-headed Spaniards with knives and rifles. You can get in touch with the Longshoremen's Union on that.

The CHAIRMAN. It is wonderful always to be right.

Mr. EMERSON. It is nice to be at the scene of the action.

Senator GIBSON. Let me say right here that the chairman of this committee has the respect of every member of this committee. I am not a member of the same political party as the chairman. We do not always agree, but he still has my respect. Do you not think it would be better if you left that telegram out?

Mr. EMERSON. I have no way of taking it out.

The CHAIRMAN. Do not take it out.

Mr. EMERSON. I know Senator Copeland would like to have that matter brought to his attention. This man is the leading official, the highest official, in the Marine Firemen, Oilers, and Watertenders' Union on the Pacific.

To show you that he was not alone in his statement, I call your attention to this issue of the Voice of the Federation—I shall not submit this for the record—with the headline "Lundeberg Blasts Copeland for Drunkenness Lie."

The CHAIRMAN. Why not put that in the record?

Mr. EMERSON. There was objection, and I have not been told to put it in the record.

Senator GIBSON. The Senator has been in politics for so long he probably does not mind being called a liar.

Mr. EMERSON. I am not calling him a liar.

The CHAIRMAN. I have suffered many things at the hands of unions; I can stand a few more.

Senator VANDENBERG. I just want to observe that if a United States Senator who is attempting to do his duty impartially, as I know the Senator is, gets this sort of treatment from a high official of your union—I am referring to your telegram from the high official——

Mr. EMERSON. It is not our union.

Senator VANDENBERG. Well, it is the west coast union.

Mr. EMERSON. Yes.

Senator VANDENBERG. I pity the sea captain who has to deal with that kind of guy.

Mr. EMERSON. I consider the Government just a business, and the people that are sent here are business representatives of the people. Their work should be handled as a business performance strictly, and there should be very little sentiment attached to it.

Senator VANDENBERG. I am speaking about judicial equity and fair play.

Mr. EMERSON. Naturally, if I were in Senator Copeland's place, I would take steps to repudiate that if it is untrue.

The CHAIRMAN. No; I do not have to do that. I try to live every day so that my friends will believe me. You would not believe me if I had a million witnesses.

So far as I am concerned, as one Member of the United States Senate, you can make all the charges, plus all the statements, pour out all the abuse, and make all the threats you want to, as I have been threatened with my life time and again by men who pretend to be of your group when they are not. So far as I am concerned, I am going right straight forward, because I happen to love the United States, and I want to have an American merchant marine.

If you have any constructive plans, regardless of their origin, I am for them if they are useful; but as one member of the Senate, I am opposed to spending one dollar of the funds of the United States in building ships until there can be peace on the decks and below decks, and until the sailors cooperate with those in command of the ships. Until that time I am going to do all I can to deter any building of ships.

Mr. EMERSON. It all depends, Senator, on your definition, of "What price peace?" Are we supposed to work for nothing and live under rotten conditions?

The CHAIRMAN. Are you working for nothing?

Mr. EMERSON. Not now, sir.

The CHAIRMAN. Are your wages aboard American ships less than they are on the ships of other countries?

Mr. EMERSON. We should never compare American standards with foreign standards.

The CHAIRMAN. As a matter of fact, is not your wage scale far above the wage scales of foreign merchant marines?

Mr. EMERSON. Yes, sir; it has to be.

The CHAIRMAN. Is not the food that you receive far better?

Mr. EMERSON. That is what it should be.

The CHAIRMAN. You yourself spoke of the Hog Island ships. I think you called them ships built to be sunk.

Mr. EMERSON. That is what the delegate said.

The CHAIRMAN. You realize, of course, that those ships do not possess these fine quarters which will be furnished in the new ships, and this committee, which you seek to revile, has striven to establish a standard for the building of those ships, and the first thing it had in its mind was to take care of the crews.

Mr. EMERSON. That is true.

The CHAIRMAN. If you have seen that report, you know that I am speaking the truth.

Mr. EMERSON. I have read it. As far as the work of this committee in regard to technical problems is concerned, there has been very fine work. We do take exception sometimes to the labor attitude taken by members of this committee.

I remember last summer that on the floor of the Senate you brought up an incident in which a certain radio operator, I think, had been beaten up in your county.

The CHAIRMAN. That is right. Do you believe that he was?

Mr. EMERSON. I don't know. In finishing your remarks, you stated that when some culprit had been arrested for beating up the man, the culprit jumped out of the window and committed suicide, and you hoped there would be many others doing the same thing.

The CHAIRMAN. I don't know that I said the latter.

Mr. EMERSON. It is in the record.

The CHAIRMAN. That is good; I am glad I had such good sense to say that.

You know very well, and I have got sworn testimony in this room, about the way you have beaten up men who wanted to go to sea, particularly in connection with the "fink" book, as you call it. Men came here suffering with their wounds and swore to the fact that they acquired these damages in conflict with your beef squad, such as the incident that happened in Spring Valley, N. Y., occurred, as you know if you have investigated it.

Those are the things that have made some of us most resentful. However, that is in the past. Do you have any way to show us how we can have peace on the ships and operate the ships satisfactorily? If there is no way, we shall build no ships, as far as I am concerned, or we shall place them in charge of the Navy or place a Coast Guard officer aboard to oversee the personnel.

Mr. EMERSON. Of course, during that period there was the termination of a strike. Naturally, there was disorder, and when one man met another and differed with his opinion on the waterfront, one got the worst of it personally. But at the present time I fail to see any lack of discipline at sea, such as on the *Algic*. Where is the lack of discipline? Ships are running in and out of New York Harbor regularly. In fact they are completing a very heavy cruise holiday. The only ship of any size that had any trouble was the British Ship *Monarch of Bermuda*, over which we have no control whatsoever.

I do not see any need for any worry unless somebody is worried about the future, may be thinking that there might be a strike in the future sometime.

Senator VANDENBERG. If you were presented with case after case after case which indicated a break-down of discipline at sea, you, as I understand it, would be glad to inquire into each one, and you assure us it is your desire to find out if there is any truth in them. It

is our desire to find out the truth, and it is certainly a responsibility that we cannot shirk. The thing that I resent is the suggestion that while we are simply in pursuit of the truth we are doing something that is supposed to be hostile.

Mr. EMERSON. No, I should think you would want to—naturally, you must understand that maritime labor has not at any time had the representation in Washington that other interests have had.

Senator VANDENBERG. There is no doubt about that, and there is no doubt that you had the worst of it in days gone by; but two wrongs will not make a right.

Would you consider that consular reports from all over the world are prejudiced?

Mr. EMERSON. I would consider a British consular report reliable, but I would give very little credence to any American consul.

Senator VANDENBERG. You would dismiss an American consul's report?

The CHAIRMAN. Are you an American?

Mr. EMERSON. Yes, sir. My name is Emerson. I came from Massachusetts.

The CHAIRMAN. Do you think our Government is wrong?

Mr. EMERSON. I think we could improve our consular service.

The CHAIRMAN. Do you think we ought to have a new order?

Mr. EMERSON. We are getting a new order—a better order.

The CHAIRMAN. A communistic order?

Mr. EMERSON. I would not know. I never hear about communism except when I come to Washington. I wouldn't know; I am a Democrat.

The CHAIRMAN. You are what?

Mr. EMERSON. I am a Democrat. I vote in Congressman Sirovich's district. I did until I came to Washington. I don't suppose I have a vote now.

The CHAIRMAN. What do you have to say to this:

"I cannot say what may happen, but I do know that some people have found they could live happily, successfully, in a communal form in which the whole and not just a few were given consideration."

Does that analyze your views?

Mr. EMERSON. It all depends, I suppose, on what you would take to be a communal form. That must apply to the government in France. They have what are known as communes. I never knew they had anything to do with communism. I suppose the common impression of communism is a totalitarian state, but a commune is different.

The CHAIRMAN. This statement which I have just read is from an address by John L. Lewis, at Tuscon, Ariz.

Senator VANDENBERG. You say you never hear about communism except when you come to Washington. I suppose you probably can hear more about it here than anywhere else. Have you ever heard the charge that communistic literature is circulated on your ships?

Mr. EMERSON. I have seen supposedly communistic literature on the water front. It never interested me.

Senator VANDENBERG. You have heard about it in connection with shipping?

Mr. EMERSON. The specific so-called "red" literature was on the front page of the Washington Post of a recent issue so that we could not escape it. It said something about the American merchant marine coming under control of "Red Annapolis" on the Hudson.

Senator VANDENBERG. I am referring to a letter in evidence before the committee, taken off ships.

Mr. EMERSON. I would not be surprised.

Senator VANDENBERG. So, there is such a thing?

Mr. EMERSON. Oh, I don't doubt a bit that we have Communist seamen. I would not be surprised if we had some working in the Capitol Building.

The CHAIRMAN. Have you ever seen this book [handing a book to Mr. Emerson]?

Mr. EMERSON. No; I have never seen it.

The CHAIRMAN. Have you ever seen this [handing a book to Mr. Emerson]?

Mr. EMERSON. Yes.

The CHAIRMAN. Have you ever seen that [handing a book to Mr. Emerson]?

Mr. EMERSON. Yes; I have. That is put out by some Liberty League outfit in Connecticut.

The CHAIRMAN. These are communistic documents which have been found on the ships.

Mr. EMERSON. That is possible.

Senator GIBSON. Will you agree with me that the American form of government is the best form of government ever devised?

Mr. EMERSON. Yes, sir; but I hope we can give the American people back their country under this new bill they are trying to promulgate. We don't consider that they have their country at the present time.

Senator GIBSON. Who has it?

Mr. EMERSON. I think you will find, if you will read Mr. Jackson's or Mr. Ickes' speech, who are in control of this country. They explain it very clearly.

The CHAIRMAN. Do you believe in their doctrine?

Mr. EMERSON. Yes.

The CHAIRMAN. You would like to change our order?

Mr. EMERSON. Well, change it to the extent that the American people would get their country back.

The CHAIRMAN. Where is it now?

Mr. EMERSON. It seems to be in the hands of a favored few.

The CHAIRMAN. Are they in office?

Mr. EMERSON. Well, I will tell you where you will find a great class of them. We never seem to mention them. There is that class of people who are independently wealthy, who don't have to do anything.

The CHAIRMAN. Do you mean the 60 families?

Mr. EMERSON. No; in addition to the 60 families. You will find them at Palm Beach, Hot Springs, in the Carolinas, Los Angeles, and things like that, taking life easy; or else you will find them traveling in Europe.

The CHAIRMAN. Have you ever had a suspicion that the delegates of the unions, the representative agents in Washington before the Government, are living pretty softly?

Mr. EMERSON. I don't know how I am living so softly on my salary of \$35 a week.

The CHAIRMAN. Do you have a drawing account for expenses?

Mr. EMERSON. No. I may use a taxi.

The CHAIRMAN. Do you have a drawing account?

Mr. EMERSON. Oh, yes; I can submit it any time.

The CHAIRMAN. You do have a drawing account in your union in addition to your \$35 a week?

Mr. EMERSON. I have the expense of running an office. We have three people and a secretary working out of that office. I can submit to any congressional committee a complete financial statement of our expenses at any time. It will surprise you, the smallness of the items. It would be impossible, I think, under our present living standards in Washington, for any Member of Congress to live that way. We work for our money.

The CHAIRMAN. Would you destroy the wealth and the income of those men who are living at Palm Beach and Miami?

Mr. EMERSON. No; I would not destroy it, but I would like to see it distributed so that it would do some people who are living in the slums back of the Union Station some good.

The CHAIRMAN. You would distribute it so that everybody would have an equal amount?

Mr. EMERSON. No; I am not talking socialism. That is impossible under our present standards.

The CHAIRMAN. Are you going to change the standard?

Mr. EMERSON. I am not going to try to; perhaps in time they will change themselves.

The CHAIRMAN. Who will change them?

Mr. EMERSON. The people, I suppose.

The CHAIRMAN. The rich men in Palm Beach?

Mr. EMERSON. No; the people themselves. I notice over the country perhaps you have, too—that there seems to be a gradual—more of a gradual interest in our national affairs by the public at large.

The CHAIRMAN. Does that mean greater uniformity in receipts?

Mr. EMERSON. Well, naturally, if the poorer class of people—as President Roosevelt says, one-third of them—are practically starving in this country, if they are to get a little more, perhaps the people at the top of the list will have to take a little less. I do not think that is a radical thing; I think that is Americanism.

The CHAIRMAN. Do you think you can do that by legislation or by changing the form of government?

Mr. EMERSON. We do not need to change the form of government. I think perhaps 1940 will have something to do with it.

The CHAIRMAN. What will it do?

Mr. EMERSON. I expect we will have a more liberal bloc of Senators and Congressmen in Washington.

The CHAIRMAN. Some of us will be retired to private life?

Mr. EMERSON. I could not say.

The CHAIRMAN. Have you anything more to say?

Mr. EMERSON. Yes, sir.

The CHAIRMAN. Go ahead.

Mr. EMERSON. I shall submit for the record a report of the New York Maritime Council on the findings and recommendations of the United States Maritime Commission, and I would ask that this be incorporated in the record.

The CHAIRMAN. What is that?

Mr. EMERSON. It is the report of the New York Maritime Council on the findings and recommendations of the United States Maritime Commission. In other words, eight maritime unions compiled a statement in answer to Mr. Kennedy in his report to Congress.

(The report of the New York Maritime Council on the findings and recommendations of the United States Maritime Commission is to be made a part of the record at this point.)

REPORT OF NEW YORK MARITIME COUNCIL ON THE FINDINGS AND RECOMMENDATIONS OF THE UNITED STATES MARITIME COMMISSION OF NOVEMBER 10, 1937

(New York Maritime Council (C. I. O.), National Maritime Union; Masters, Mates, and Pilots; Marine Engineers' Beneficial Association; Apprentice Engineers' Association; Scandinavian Seamen's Club; Lumber Workers Union, American Radio Telegraphers' Association, Industrial Union of Marine and Shipbuilding Workers, 10 Bridge St., New York City. Whitehall 3-4649)

With some of the conclusions and recommendations contained in the recent report of the Maritime Commission, we are in complete agreement. We are heartily in accord with the contention that the American people should take steps to secure the largest possible return on the public funds poured into the coffers of certain steamship companies. The report intimates that the development of the merchant marine, the functions of which approach those of a public utility, should be more carefully supervised by the American people. We agree with that.

We feel, too, as does the Commission that an efficient, well-managed merchant marine is too important an adjunct to our foreign commerce and the national defense to be left any longer to the depredations of financiers interested, not so much in the merchant marine as an institution but as an instrumentality for siphoning off huge mail subsidies.

The report, considered in its entirety and with its fullest implications, raises questions of tremendous import, not only for the owners and operators of these vast fleets and for the hundreds of thousands of maritime workers but for the American public as a whole. So vital are these questions to the American people, we believe, that any solution to the problems raised by the Commission can, and should only, be weighed in the light of the broadest principles of public welfare.

The Commission offers three alternatives for the consideration of Congress—one which leaves the merchant marine in the hands of the financial manipulators who have already deliberately and carefully pushed it into bankruptcy; another which would put a rather dubious check on these manipulators; and a third which would cut the Gordian knot of private operation, once and for all, and rescue this important auxiliary to the national economy from those who would use it other than in the public interest.

These were listed by the Commission as:

1. Continuation of the present system of direct subsidy.
2. Government ownership and private operation.
3. Government ownership and operation.

DIRECT SUBSIDY

On the first proposal: The Commission feels that private ownership should be given every opportunity to succeed. That, says the report, is the historical attitude of the American people. The New York Maritime Council agrees that private ownership and operation should have every opportunity to succeed and might, indeed, have succeeded had it not been for deliberate efforts on the part of distinguished financiers actually to sabotage the efficient operation of certain important steamship lines in this country.

For example, it was under private ownership that the wholesale scandals developed, which were later unearthed by the Black committee. It was under private ownership that huge salaries and bonuses were distributed for no other purpose than to throw several steamship lines on the verge of bankruptcy. It was under private operation that several steamship lines were subjected to so much financial juggling that it was impossible to tell whether the line could show a profit or not.

The Black investigation showed that, in some instances, such large sums were paid for mail contracts that some vessels could cross the ocean without a pound of cargo and still draw enough from the public till to meet the cost of operation and pay exorbitant salaries to company officials. Some companies received, for the transportation of a few pounds of mail, more than the cost of the entire trip. Huge salaries and bonuses were common, the investigation revealed, especially in those companies which were being made to show operating losses. So scandalous were some of the revelations that it seemed as if some phases of the shipping industry had developed into a huge racket and that the American public was, in

the language of more adept holding-company manipulators, "being taken for a sucker."

Further, it was under private ownership and operation that an outright conspiracy was entered into by certain financiers (bearing some of the most distinguished names in American life) deliberately to sabotage the efficiency of the American merchant marine for the purpose (1) of throwing more trans-Atlantic business to British lines in which these same persons were heavily interested, and (2) to lay the basis for huge subsidy claims on the United States Treasury.

The carrying out of this conspiracy was clearly outlined in a series of copyrighted articles published by the New York Post in 1934. The financial sleight-of-hand and skulduggery which these articles reveal overshadow, in some respects, the mechanicians revolving around Teapot Dome and early-day railroad financing. One of the minor manipulations was the careful "wrecking" of the pride of the American merchant marine, the steamship *Leviathan*. Others were the juggling of huge mail subsidies. Another was the rerouting of certain American ships to make them show operating deficits in "competition" with British ships owned by the same interests. These charges were never refuted.

In the light of these disclosures, and in the light of the apparent intention of certain operators, not only to continue to use the merchant marine as a siphon for draining of public funds intended for more honest use but to enlarge the siphon and accelerate the process, we see no excuse for further consideration of this proposal by Congress or the American people.

GOVERNMENT OWNERSHIP AND PRIVATE OPERATION

On the second proposal: Likewise, we see less excuse for this type of operation. Whereas, under the original proposal, the private operator must put up part of the cost of construction and is forced to invest a certain amount of money in the fleets he is manipulating, under this second plan he would be exempted altogether from that responsibility. Whereas originally he had an alleged interest in the cow he was milking, this plan would bring him a free, and probably fresher, cow.

We fail, particularly, to see just what guarantees the shipper would be forced to give the American people for efficient operation of the vessels entrusted to his control. We fail to find anything in this proposal to protect the American people from the same financial abuses now so flagrantly current in shipping management. We see in this proposal nothing more or less than a method for opening the front doors of the United States Treasury to a group of interests not content with access through the back door. It would appear to be little more than a subterfuge agreed to for the purpose of sugar-coating, for public consumption, the supposedly better pill of outright public ownership.

GOVERNMENT OWNERSHIP AND OPERATION

The third proposal would seem, at first glance, one of last resort—a reserve proposal to fall back upon in case the public is unwilling to accept the "reform measures" suggested in the first two alternatives. Closer examination, however, reveals implications which must be considered only in the light of the broadest principles of public welfare.

The fact that the Commission was forced to examine this so-called "sick industry" from the standpoint of its relation (1) to foreign commerce and (2) to the national defense, makes it clear that even conservative opinion is coming to look upon the merchant marine as an industry approaching the status of a public utility.

If we accept that opinion as correct, it is clear that problems surrounding the development of a merchant marine must be met in the same realistic fashion as those surrounding the development of national defense, the post office, rivers and harbors, water power, and the public highways.

To turn any of these important phases of the national economy over to private management would be wholly out of the question. Private management in those fields has long ago been abandoned in the public interest.

Likewise, if we find private management of the American merchant marine inconsistent with its fullest and most effective development, we as one of the foremost and most powerful nations on earth, must face the alternative of Government ownership and operation unflinchingly. If Congress, the shipping interests, and the Maritime Commission are unable to convince the American people that these fleets can and will be operated safely, efficiently, and economically, then, in our opinion, the people should demand the only other logical alternative.

We believe that the people, in view of their overwhelming ratification of New Deal legislative principles in the 1936 elections, would, if conditions demanded, endorse an extension of these principles to include such an important arm of the national economy.

Unless adequate safeguards for the public interest can be devised by Congress, we fail to see any excuse for further tolerance by the American people of these raids on the Treasury, year after year, by persons brazenly subordinating the public good to private gain.

DO THE COMMISSION'S PROPOSALS PROVIDE THOSE SAFEGUARDS?

The report recommends certain amendments to the 1936 Merchant Marine Act. Out of nine suggestions, only one would serve to increase the responsibility of the shipowners for the construction and operation of ships. The others, recommending a loosening of present alleged restrictions, indicate that the Commission, in suggesting these amendments, is acting as the mouthpiece of shipowners not satisfied with the license they are already allowed.

It is suggested that—

The right of the Government to cancel mail contract subsidies be further restricted;

The down payment of new construction (already as low as 25 percent of domestic cost) be further decreased to 25 percent of foreign cost.

The operators be permitted to build American ships in foreign shipyards if the differential is more than 50 percent.

The period provided for the recapture of profits be extended from 5 to 10 years.

Provision to be made to allow the contractor to build up even greater reserves than at present.

The Commission's power to relax restrictions relative to subsidiaries and foreign-flag affiliations be enlarged.

The Commission be given power to waive the \$25,000 salary limitation for company officials.

The nature of these recommendations leads us to believe that, if they are carried out, the next step will be to seek legislation compelling the American people (1) to stand the entire cost of building the ships, (2) pay the company for operating the ships, (3) guarantee a certain profit, and (4) buy back obsolete ships at cost. In other words, make the steamships little more than huge, floating, tax-exempt Government bonds—with automatic coupon clippers attached.

Far from attempting to curtail current abuses, these recommendations in our opinion, abolish most of the restrictions provided for in the 1936 Merchant Marine Act. It is obvious why these recommendations were clothed with the dignity of official sanction; emanating from private sources, they would be considered ridiculous and unworthy of congressional consideration.

The council would be less inclined to question the good faith and intentions of both the shipowners and the Maritime Commission if, instead of proposing amendments calculated to ease operating restrictions, the Commission had proposed a more rigid adherence to the provisions of the 1936 Merchant Marine Act.

This act, devised and passed by Congress following the ship subsidy scandals unearthed by the Black committee, outlined as its purpose the building of a merchant marine (a) sufficient to carry its domestic water-borne commerce and a substantial operation of the water-borne export and import foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States Flag by citizens of the United States insofar as may be practicable, and (d) composed of the best equipped, safest, and most suitable types of vessels constructed in the United States and manned with a trained and efficient citizen personnel.

MARITIME LABOR RELATIONS

A few words regarding the relationship of the seamen and the maritime unions to the merchant marine, whether operated by the people, through governmental agencies, or by private owners.

There is noticeable, both in the Commission's report and in the comments of the steamship owners and their spokesmen, both hired and voluntary, a deplorable tendency to use the seamen as scapegoats for the failure of the operators to satisfy the desire of the American people for an adequate merchant marine.

Prior to the publication of the report, there was laid down in the press, over the radio, and in the courts a veritable barrage of criticism, both specific and general, against the seamen. They were attacked as mutinous, disruptive, insolent, lazy, disreputable, quarrelsome, insubordinate, and red. They were attacked for organizing into labor unions. They were attacked for demanding decent wages. They were attacked for demanding decent living conditions aboard ship. These assaults were so virulent and so vicious, in many instances, as to lead one to believe that the seamen were even being attacked for going to sea. Because an occasional steward would resent the insolence of drunken passengers, he was called lacking in respect for discipline. Because a member of the crew registered his grievances with his organization, as any trade-unionist should and does, he was called insubordinate and inefficient. Because he wants wages commensurate with a decent standard of living, he is called radical and attempts were made to reflect on his political affiliations.

These attacks were nothing more nor less, in our opinion, than attempts to throw up a smoke screen, under cover of which legislation might be prepared which would take away from seamen their constitutional rights to organize and bargain collectively.

This thought is borne out by the fact that, while these attacks are loosed on many fronts, they appeared to have the same original source—the shipowners. It is borne out further by the fact that every new barrage was followed by a renewed demand for a denial of the seamen the right to organize and bargain. It is borne out by the fact that the crew of the Steamship *Algic* was charged with mutiny (for an act which under no circumstances could be called mutiny) just prior to the publication of the report of the Maritime Commission. It is borne out by certain attacks on the seamen made through the Hearst press by Daniel S. Ring, an employee of the Maritime Commission, just prior to the bringing of charges against the *Algic* crew.

THE ALGIC CASE

So much has been made of the so-called *Algic* case that we are constrained to make one more effort to present the facts.

There is a story back of the *Algic* case. It is a story of a secret drive launched recently to break the maritime unions, to stem the rising tide of industrial unionism in the marine industry and put a stop once and for all to efforts by the seamen to secure the decent wages and working conditions that are being demanded by workers in every industry. That drive has taken a sort of pattern. The shipowners first tried to stop the seamen's organizational activities by teaming up with certain discredited officials of the old International Seamen's Union. They teamed up with Joseph P. Ryan, head of the Longshoremen's Association and one of Jeremiah Mahoney's principal backers in the New York City mayoralty election. They raised the cry of red radicalism. They raised the cry of revolution. They even resorted to the use of "goon squads." (For your information, a "goon" is a water-front gangster). These "goon" squads boarded ships and attempted to terrorize the seamen into abandoning their organizational activities.

That drive failed. When it did fail the shipowners took another tack. They began to sue Government agencies, the Commerce Department, the Maritime Commission, and the Department of Justice, to pull their antilabor chestnuts out of the fire.

In the past 2 months a series of simple strikes and steps taken by various crews to better their conditions and to protect themselves, have been labeled as "mutiny."

Now, everybody knows that the term "mutiny" is used exclusively to describe insubordination on the high seas. Marine authorities and the United States courts (even the Supreme Court, as recently as October 1935) have held that insubordination anywhere but on the high seas is not mutiny.

In the case of the *Algic* the ship was resting at anchor in a safe harbor. There was a longshoremen's strike in progress. When the ship dropped anchor, power launches filled with striking longshoremen circled the ship warning the crew not to man the winches for cargo handled by scabs and strikebreakers.

They meant business and every member of the crew knew that they meant business. So did the captain. He, too, knows what these things mean. The crew held a meeting. That is the natural and orderly way to meet a situation of this kind. They decided that it was only common sense to refuse to handle cargo handled by strikebreakers in a situation of that kind.

Immediately, the captain got in touch with the Maritime Commission. The Maritime Commission, acting in the interest of the shipowners, and seeing an excellent opportunity to discredit union seamen, raised the cry of mutiny and ordered the captain to put the so-called ringleaders in irons.

The action of the crew could not, by any stretch of the imagination, be called a mutiny. The ship was not on the high seas. She was in a safe harbor working cargo. A dangerous situation existed which imperiled the lives of the crew. Regardless of the individual daring of any member of the crew, it was the duty of each to vote, in ship's meeting, to take steps to safeguard the crew as a whole.

The crew was perfectly within its rights in refusing to work in a dangerous situation when the ship was at anchor. Dangerous situations are nothing new to American seamen. Their individual bravery during voyage crises has been written about since the days of the Phoenicians. It is legend.

But bravery and fool-hardiness are two different things. It is foolhardy to "dare" striking longshoremen, the improvement of whose working and living conditions depend on the success of their strike.

The crew had a perfect right to demand proper protection under the circumstances. In fact, it would have been negligent had it not done so. When the ship got back to Baltimore, the home port, the reason for all this hullabaloo became apparent.

There began a whole series of attacks on maritime labor, and on American seamen in the press, on the radio, and in the courts. Daniel S. Ring, who is supposed to be the labor representative on the Maritime Commission, came out in a public statement congratulating the master of the steamship *Algic* on his effective handling of a mutinous situation. This he did even before the investigation had begun or before Ring had any opportunity to hear from the crew or to get the real facts in the case.

Editorial writers and columnists in various papers tried to lay the blame to the so-called radicals in the maritime unions.

The day the investigation into the so-called mutiny was to start, the Maritime Commission released an exclusive story to the Hearst Press in Washington outlining a whole series of events with which they wanted to link up the charge of mutiny.

They listed a water-front brawl in which a seamen was killed in Florida 10 days before the ship arrived in Montevideo. They even listed an exchange of words between a steward and a passenger who had counted a little too strongly on the servility of American seamen.

And then the chairman of the Commission, Joseph P. Kennedy, proceeded to reveal the real reason for this series of mutiny charges and the drive against the union. He said that he was preparing to sponsor legislation for the marine industry similar to the Railway Labor Act now in effect for the railroad industry.

THE REASONS

Every trade-unionist knows what that means. It means that an attempt is going to be made to take away from the American seamen their Constitutional rights to strike and organize into unions of their own choosing for the betterment of their working and living conditions.

The demands of the maritime workers are simple economic trade-union demands. They are demands for decent wages and decent living conditions aboard ships. There is but one way in which the seamen can win those demands and that is by exerting their economic power. The shipowners and the Maritime Commission know this.

That is why they are concentrating their efforts on a campaign to limit that right to strike and that right to exert economic pressure. That is why this is a threat not only to the maritime workers but to the whole of American labor.

The right to strike has already been limited in the railroad industry. If it is limited in the maritime industry now, it won't be very long before there will be attempts to limit it in other industries, and every trade unionist knows what that means.

The Commission's bias as regards maritime labor relations is apparent in its report. After placing the responsibility for the seamen's grievances at the door of the shipowners, what does it propose as a remedy? Does it propose restrictions on the employer's right to pay the meanest wages possible? Does it propose restrictions on the employers to force seamen to strike? Does it propose to set up machinery to safeguard the seamen's right to organize and bargain collectively?

Hardly. What it does propose is restrictions on the seamen. It proposes to train seamen in the Coast Guard, where he will be thoroughly inculcated with antilabor philosophy and prejudices. It proposes to hamstring the seamen's right to bargain collectively and strike—our only weapon in a struggle to force something approaching decent working and living conditions aboard ship. It

recommends the establishment of a mediation board, similar in purpose and content to the Railway Mediation Board, which has, in the words of the report "been conspicuous in minimizing labor strife in that field." It is obvious from the tone of the report that the aim of such a board would not be to provide machinery for the settlement of disputes (the unions are providing that already in those rare instances in which the shipowners will cooperate) but rather to provide machinery which will hamper the seamen's right to bargain collectively. The provision in the Railway Labor Act for the postponement of strike action is an example. Never in the history of maritime labor relations was the postponement of strike action ever used, by the employers, for anything other than rounding up an army of scabs in preparation for breaking a strike.

We are forced, as a result of these recommendations, to conclude that the Commission is not making its suggestions in good faith. It first places the blame for dissatisfaction among the seamen at the door of the shipowners and then proposes to alleviate this dissatisfaction, not by coercing the shipowners, but by stifling the seamen. Such a suggestion is little short of laughable. One might as well suggest that an army can win a battle by turning its ammunition over to the enemy.

It is, we believe, significant that the Commission in gathering information on wages and working conditions from seamen saw fit to ignore the labor organizations formed by the seamen for the express purpose of bettering these conditions, and instead hired one of those groups whose activities in the industrial field have so recently been revealed in all their scandalous relationships by the La Follette investigating committee. We refer to Metcalf & Co. and the Industrial Management Corporation. The committee, we understand, hired these companies to interview seamen and investigate their reaction to the labor policies of the steamship companies.

What kind of a questionnaire did these outfits prepare and send out to the seamen? What are the facts revealed therein? Who got the questionnaires? Were these companies themselves under investigation by the La Follette committee?

The labor philosophy of such companies is well-known. The revelations before the La Follette committee were printed in great detail far and wide. There is scarcely a man, woman, or child in the United States but who is familiar with the operations, tactics, and general attitude of these companies in the field of labor relations. To employ this type of industrial service, when the seamen themselves by the thousands would have been only too glad to go to Washington at their own expense for interview, can hardly be viewed as anything but an insult to organized maritime workers. But, insult or no insult, it has significance here as exemplifying the attitude of the Commission toward the men who man the great fleets of the American merchant marine.

SEAMEN AND THE LAW

Freedom to carry on organizational activities, freedom to strike for the enforcement of wage increases or other improvements, freedom to take steps to protect our lives in dangerous situations—all this is guaranteed by law.

It took American workers many years, many generations, to secure these things. It took decades of struggle, thousands of strikes, years of hardship, suffering, and even bloodshed, to win the rights now enacted into law.

Consequently, this council is hardly in a mood to stand by and see those rights curtailed without protest. Our obligations to ourselves, to other maritime workers, and to the rest of the trade-union movement makes it incumbent on us to fight such withdrawal of our rights with every ounce of our strength.

An examination of our efforts, since we have formed our organization will show that, not only are we willing and anxious to mediate disputes, to curtail strikes and build up discipline, but that a great deal of energy has been devoted to trying to bring the ship owners around to that point of view.

They have refused most of our requests for conferences on wages and other bargaining issues. They have not only refused to cooperate with us in avoiding strikes but have time after time taken steps which can only be regarded, even in the most charitable light, as attempts to force us out on strike.

In certain agreements which some of our organizations are at present negotiating, there are provisions for the settlement of disputes through port councils on which both parties are represented equally. Yet, the shipowners, instead of agreeing to such proposals, are attempting to take away from us by legislation any rights that we would have under such agreements.

Such indications of bad faith, we believe, are a key to their attitude as regards the collective bargaining statutes recently enacted into law. They are also, we believe, a key to the motives behind the move for antiunion legislation.

As for discipline—it is not the seamen who need discipline—it is the shipowners. We have discipline. We discipline ourselves. We work on ships. We know what discipline means to the operation of a vessel or to the American Merchant Marine as a whole.

But that is the discipline of free and satisfied workers. That is not the discipline of slaves and indentured servants. It is discipline which demands a reciprocal discipline on the part of the employers.

Naturally, the shipowners don't want that. They want the freedom to drive their employees like serfs or cattle. They want the freedom to manhandle the seamen like slaves. They want the freedom to run ships without safety that cost money.

They know that they cannot get those things bargaining with free men. So, as a necessary preliminary to getting those things, they want to take away that freedom.

In our opinion, the seamen will not let them do it. We have worked long and hard to build our unions, fought against tremendous odds and the united opposition of powerful forces.

Now that we have the means through which we can secure decent wages, decent working conditions, improved safety-at-sea regulation, and the rights enjoyed by other workmen—now that we have those things, we are not going to give them up easily.

If the Maritime Commission is sincere in wishing to avoid strikes, build discipline, and improve safety at sea, let it cooperate with the seamen in their efforts to bring those things about. Together we can make the shipowners peaceful and law-abiding.

SUMMARY

It is not our purpose, in this report, to take a position of opposition wholly to the Commission's recommendations. With those recommendations, calculated to aid the people in carrying out the provisions and the spirit of the 1936 Marine Act, we are heartily in accord. With every move and proposal calculated to improve the efficient operation of American merchant fleets, we will cooperate. We are anxious to cooperate. We, as maritime workers, make our living in the marine industry. All of our efforts, as organized workers, are aimed at improving the working conditions, operating mechanics, and safety provisions on our ships.

We would like to be able to report that the shipowners were cooperative. Unfortunately, we cannot do that. The reason, we believe, is that any improvement in working conditions, operating mechanics, and safety regulations will cost the shipowners money. That money, as the Black report showed, is wanted elsewhere.

Therefore, we are of necessity constrained to urge upon Congress, as representing the best interests of the American people, to consider carefully the proposals outlined in the report of the Maritime Commission and, if it find that continued operation of our fleets by private companies is inconsistent with the aims set forth in the Merchant Marine Act of 1936, not to hesitate in taking a progressive stand for the only logical alternate proposal—Government ownership and operation.

The CHAIRMAN. Did you see Mr. McFee's reply to that?

Mr. EMERSON. I don't think I have.

The CHAIRMAN. It was found in the New York Sun of December 4, 1937.

Mr. EMERSON. I don't read the Sun; I read the Times.

The CHAIRMAN. Do you read it because it is communistic?

Mr. EMERSON. No, sir; I think it is fair and impartial. I think it is the world's best newspaper.

The CHAIRMAN. Suppose I told you that Mr. McFee said:

Maritime council of C. I. O. releases confusing report on Commission's report to Congress.

Mr. EMERSON. Mr. McFee has very seldom agreed with us, except one time.

The CHAIRMAN. He is usually wrong?

Mr. EMERSON. No; he does not agree. Just because he does not agree does not say he is wrong.

The CHAIRMAN. Well, maybe he is a liar.

Mr. EMERSON. No; I never call anybody a liar. I try to use the same subtle language as Members of Congress, in my humble way.

The CHAIRMAN. I think we had better have inserted Mr. McFee's analysis of this report.

(The newspaper article in the New York Sun, Saturday, December 4, 1937, entitled "McFee on Ships," is inserted in the record at this point:)

[New York Sun, Saturday, December 4, 1937]

McFEE ON SHIPS—MARITIME COUNCIL OF C. I. O. RELEASES CONFUSING REPORT ON COMMISSION'S REPORT TO CONGRESS—ADVOCATES GOVERNMENT OWNERSHIP OF ALL SHIPS, BUT WOULD NOT TRAIN MEN IN COAST GUARD

(By William McFee)

Soon after the release of the Maritime Commission's report to Congress on November 10, another report upon this report was circulated in mimeograph form, originating in the New York Maritime Council of the C. I. O. For various reasons this production has not received much publicity and the council will undoubtedly attribute this neglect, like other unsuccessful authors of fiction, to a plot of the interests.

The New York Maritime Council consists of representatives of the National Maritime Union, the Union of Masters, Mates, and Pilots, the Marine Engineers Beneficial Association, the Apprentice Engineers Association, the Scandinavian Seamen's Club, the Lumber Workers' Union, the American Radio Telegraphists' Association, and the Industrial Union of Marine and Shipbuilding Workers. All these unions are, it goes without saying, affiliated with the C. I. O.

Not only is the report of this maritime council anonymous, not only does it fail to enumerate the representatives who assented to it, but it bears no date. This may not seem a vital matter, but it indicates the general character of the production, which is pretentious, inadequate, and inaccurate.

EXPRESSING LABOR'S CASE

The Maritime Council is an association of labor unions electing to express the opinion of labor on a Government report on the conditions of an industry. Here was a first-rate chance to show us what they could do, to speak on behalf of labor with the voice of labor, in a manner and style comprehensible to workingmen. But instead of following Mr. Kennedy's excellent example and making the meaning plain in the shortest words and sentences, our left-wing friends, carried away by the wind of their own eloquence, have resorted to polysyllabic confusion and complicated hyperbole to conceal the poverty of their argument. The style of this report is in the very bad tradition of circumlocutory prose. Never under any circumstance does the anonymous author use one word when he can find a dozen to do the work.

The manner in which the report is drafted, however, is overshadowed by the cool impudence of the assumption that nobody connected with shipping has ever shown either honesty, patriotism or good faith save the unions in the Maritime Council. It is overshadowed by the deliberate misreading of the Kennedy report and the ignoring of the Maritime Commission's blunt charges. The conclusion one arrives at, after a careful reading of the unionists' report, is that unless they are permitted to take over both the merchant marine and the Maritime Commission, unless both Congress and the ship operators accept the dictatorship of the C. I. O. Maritime Council, there can be no peace on the water front.

Now, where have we heard that tone before? The reader of this column is probably unfamiliar with the personality and literary style of Roy Hudson, who is known more familiarly along the New York water front as "Jerusalem Slim" or "The Great White Father." Mr. Hudson is the moving spirit of the marine section of the Communist Party and his assignment is to capture the left-wing unions by peaceful penetration, the Communist faithful keeping out of the lime-light. The style of the Maritime Council's report is strikingly in the Roy Hudson vein. His frantic efforts to get American seamen to join in the civil war in Spain are couched in the same style as the report. The report's declaration that the

courage of American seamen has been written about since the days of the Phoenixians in a distinctly Roy Hudson touch.

Those inside the Maritime Council who carry out the Hudson policies are Thomas Ray, who figures as secretary, and the lawyer, William L. Standard, who contributes to the New Masses in his spare time. The treasurer of the deck division of the N. M. U. Blackey Myers, Jack Lawrenson, and, in fact, most of the district committee in New York, are members of the Communist Party. Of all these Ray is the most important because he is unofficial coach to Joseph Curran when that gentleman is stumped for a fact or an argument. Thomas Ray is Roy Hudson's man Friday, but he has a very different role in the company of the inexperienced seamen who are the official heads of the new union.

GIST OF COUNCIL'S REPORT

It is not a wild guess that the report is the handiwork of the astute minds of these men who have, owing to their experience in organization and their knowledge of what are called strike parliamentary rules, achieved such an ascendancy in the new unions. It is well to remember that for 15 years the seamen had engaged in no major strikes, and the secession from the International left them without an executive staff. The Communist Party moved in, and has been a dominating factor in the N. M. U. policies ever since. And in a report of this character, issued by the Maritime Council, the voice is the voice of political strategists and not of the seamen.

The gist of the report, concealed in a mass of heavy verbiage, is that the council demands Government ownership of the merchant marine. The council, having no faith in the United States Government, if we are to believe the major portion of this report, has come to the conclusion that the United States Government should be entrusted with the operation of the ships. The report asserts that under private ownership occurred the scandals revealed by the Senate committee. The Maritime Council omits to mention that even smaller scandals took place under Government ownership. It omits the universally known fact that every Government that has tried to own and run ships has had to admit failure and incur staggering financial losses.

A good part of the report deals with the *Algic* case, which is still in the courts, and it is necessary to refer to that case here for a moment, because the Maritime Council attempts to confuse the issue. The word "mutiny" is used lavishly because Mr. Roper, by characterizing a former strike as mutiny, made an unfortunate error. The council pretends that the *Algic* case is on all fours with the California case, which it is not. The latter ship had a sit-down strike, while tied up at the dock, in an American port. The *Algic* was at anchor in a foreign port. The *Algic* was under articles on a foreign voyage. The Maritime Commission, when the crew refused duty under articles, was perfectly justified in ordering them to be put in irons. The question of "mutiny" did not arise. Mutiny is an attempt to seize the ship on the high seas. The *Algic's* crew, in order to hamper the voyage, sought to stage a strike in sympathy with Uruguayan longshoremen. The *Algic's* crew, as the press reports show, had been insubordinate from the beginning. They had sought to force the master into a trade union. They had attempted to go ashore against orders in boats in another port and one of them had been drowned. They had shut off deck steam against orders. The council report tries to make these men out as martyred heroes in the cause of labor.

It is a pity that the representatives of maritime labor could not have made a more skillful gesture than this clumsy and spiteful document. It does not represent the sentiments of seafaring men. It reeks with the windy rhetoric of the local commissars who are muscling in on the seamen's unions. It would be a most excellent thing if it could be rewritten in language an ordinary seaman or fireman could understand, and without the suggestion (which is implicit in the present version) that nobody in the Government or the shipping business is to be trusted except the Maritime Council.

CONTRACT NOT BINDING ON MEN

The plea of the leftwing unions, in simple language, is that articles, the contract signed before sailing, are not binding on the men, but are binding on the employer and the Government. The argument of this column is that the labor leaders refuse to face this question. It has to be answered because it forms the vital difference between employment on shore in a factory and employment at sea on a ship. The status of a seaman who has signed articles for a voyage differs from a man with an hourly or weekly wage on shore. If the unions insist that men

shall be free to stage irresponsible strikes any time they wish, under articles in foreign harbors, the operators will not be able to share that view. In less than no time at all, seamen would not be content with shutting off auxiliary steam. They would be stopping the engines at sea to hold a meeting and take a vote as to what port to steer for.

The conclusion the Maritime Council claims to have reached is that all American ships should be owned and operated by the United States Government. At the same time it advances the surprising doctrine that seamen should not be trained in the Coast Guard, which is a Government service, on the ground that the young men would there be inoculated with antilabor ideas. The mountain of ponderous and muddled phraseology has brought forth a mouse. What the Maritime Council really meant to say, but was reluctant to put on paper, was that it wants the ships to be owned and operated by the C. I. O.

Chairman Kennedy's report to Congress described American shipping as "a sick industry." The Maritime Council's prescription for restoring a sick industry to health is to strangle it with the cord of Government operation.

Mr. EMERSON. I should also like to have incorporated in the record three articles from *The Pilot*, which is the official organ of the National Maritime Union of America, issue of November 12, 1937. These articles are headed: "Campaigning against Seamen," written by Joseph Curran; "The 'Washington Post' Attacks," written by Ralph Emerson; and an editorial "Why Sit-Downs?"

Of course, I do not expect to have the pictures put in, especially the one showing the cook carrying the maggoty food aboard ship.

The CHAIRMAN. We shall omit the pictures by request of the witness.

Mr. EMERSON. As it is impossible for us to obtain space in the paid press that is given to the shipping interests, we strongly request that these three articles be incorporated in the record as being the only means by which we can bring the true facts and the whole situation before the American public.

The CHAIRMAN. We shall be glad to have them.

(The articles entitled "Campaigning Against Seamen," "The 'Washington Post' Attacks," and "Why Sit-Downs?" appearing in *The Pilot* for November 12, 1937, are to be included in the record at this point:)

[From *The Pilot*, November 12, 1937]

CAMPAIGNING AGAINST SEAMEN—THE PRESENT SENTIMENT AGAINST AMERICAN SEAMEN HAS BEEN BUILT UP SINCE 1935

(From an address by Joe Curran delivered recently at Baltimore)

The present sentiment against the American seaman was built up from 1935 when the seaman took steps to better his conditions. At that time we found a group of reactionary shipowners along with the labor fakers of the International Seamen's Union—Scharrenberg, Carlson, Pryor, and Grange—meeting in New York with a lawyer of the International Mercantile Marine, Ira Campbell.

The object of this meeting was to plan certain means to combat the militancy and organizational growth of the seamen into bona fide labor unions. After considerable discussion along with retired rear admirals, it was decided to draft a bill and present it to Congress. The aim of this bill was to make slaves of the seamen by subjecting them to naval discipline and blacklisting.

They carried on a campaign of propaganda in every newspaper throughout the country, holding the seamen up as mutineers. Then they were ready to introduce the bill.

It now became necessary for them to find a willing tool. Who was more logical than Dr. Copeland? This adopted "nephew" of William Randolph Hearst took the bill to his bosom and through Hearst brought all the reactionaries' power behind the bill when it came before the House. We all know how successful they were.

But the seamen in the meantime had gone a long way on the road to solidarity and unity with the result that after our march to Washington we were able to convince Congress that the blacklisting Copeland books should be done away with.

Subsequently the Maritime Commission was appointed. We were fortunate in having two progressive members named to this board. One was so outstandingly progressive that when the investigation of conditions on American ships was presented to this Board he condemned them. This report of Dr. Bloch's was lost by the Maritime Commission, the same as the statements that the union took to Washington.

Another member of this Maritime Board was Daniel S. Ring, a goon of Ryan's and an open scab herder during the recent maritime strike. A few months after Ring was appointed I was standing on the street when he (Ring) accosted me and asked why Ryan and I couldn't get along together. Ring was the messenger boy.

The reward of the progressive member, Dr. Bloch, who recommended that the seamen should have better conditions, was to be put into an office compiling statistics.

A week ago Chairman Kennedy of the Commission came out with a statement that he agreed with the minimum-wage conditions. Let us see how this works out. We have been negotiating with the Black Diamond Line, all of whose ships are controlled by the Maritime Commission. They agreed to all our demands, agreed to recognition of the hiring hall, the 8-5 working day and cash for all overtime after 5 p. m. and Saturday afternoon, and Sundays in all ports. But when we proposed the minimum-wage scale of \$100 they passed the buck to the Maritime Commission with the result that negotiations are at a standstill. (Subsequently an agreement was signed, which is published in full in this number of the Pilot.)

The *Alpic* affair, which is now before us, is something we have been expecting for the last 2 years. We must see that it is given publicity and that all the power and forces of the trade-unions and the C. I. O. movement back us up.

I was in Washington when this thing broke. The newspapers said all kinds of things about it. Washington newspapers had the story plastered all over.

Kennedy, head of the Maritime Commission, was supposed to give protection to these men in Montevideo, who could not work because the longshoremen were on strike and there were strikebreakers and scabs around.

The crew refused to work, and asked the master for protection. He not only refused to give the crew protection, but informed them that Joseph P. Kennedy of the Maritime Commission had threatened that if they did not return to work, they would be thrown into irons. And they went back to work. The captain and the mate scared the crew, scared them to such an extent that three of the men deserted. They were scared off the ship.

These young boys had not been very experienced and they were scared easily, and then they had seen Mutiny on the *Bounty*, too, and so they left the ship and were drowned. The captain is the real murderer.

Now the Commission would like to drop the case. It is hot and it involves every trade union in this country and telegrams are pouring into President Roosevelt now from all over. The C. I. O. has thrown every inch of support into this fight and most of the A. F. of L. unions have done so too.

They brought the ship to Baltimore for one purpose. There are two court decisions there that have been handed down over a number of years by a judge who was completely against labor. Now, in the District of New York, they could not win because of the case of the *Texan* and some others, in which the decisions were favorable to labor. They didn't want to win the case. The newspapers for 5 days carried headlines, pictures and stories which read mutiny, murder, and desertion aboard American ships, so that passengers are afraid for their lives.

The seamen who were on that ship are 100 percent seamen and they are so confident of the justness of their position that the entire 14 signed a petition to stay in jail until the very bottom falls out, to prove their innocence.

Certain people have been up to see President Roosevelt and he has told them definitely. "It is in your hands. You started it, and you finish it." But we are going to show them once and for all that the seamen are the same as any other working people in this country and we are going to use this case to prove it to them. The campaign we have started in the N. M. U. Hall recently—a couple of thousand envelopes, in which was enclosed a resolution and form telegram, went out to every trade union in the United States asking those unions to send the telegram to Roosevelt and also the resolution.

And if the case becomes such that these seamen might have to go to jail—we once had 2,000 seamen in Washington, and then it was not organized, and certainly, we can have 20,000 seamen there if we organize it properly.

We are not condoning mutiny or strikes in foreign ports. We are first, last, and always, seamen. We are not going out on irresponsible strikes. We are going to tell the President of this country in every way possible, telegrams and resolu-

tions—keep them going to the White House and tell them what they are not going to do to good American citizens whose only crime is to ask for proper protection from their own Government. We are not going to be coerced by anybody in the Government which hasn't the authority to adjudicate these matters.

[From the Pilot, November 12, 1937]

THE WASHINGTON POST ATTACKS—REPRESENTATIVES OF THE SHIPPING INTERESTS HAVE APPARENTLY FOUND THAT NEWSPAPER A STAUNCH ALLY

(By Ralph Emerson, legislative representative, Maritime Unions, C. I. O.)

The series of vicious, antilabor, red-baiting articles now being published through the medium of the Washington Post as regards the personnel of our American merchant ships had their inception and birth far from the Nation's Capital. To the casual observer or the ordinary citizen, who knows little or nothing about the maritime situation except what he gleans from the daily newspapers, the Post's sudden interest in maritime affairs would seem to be genuine, particularly when that paper stresses so urgently the need for a strong, well-disciplined merchant marine to act as our second line of national defence in time of war.

However, when a news sheet such as the Post, which has never been known for its liberal tendencies as regards organized labor, blooms forth suddenly into a field to which heretofore it has given only a slight passing interest, there must be a strong underlying motive. This motive has now been brought to light.

It is a well-known fact in maritime circles that a powerful lobby has been operating in the Nation's Capital in the interests of the shipowners and their affiliates. It is also well known that the goal for which they are striving is the destruction of the maritime unions before these unions can become unified and solidified on a national scale.

Quite naturally, as the direct representatives of the shipping interests are held in ill repute here by Congress for their methods and tactics in the past, they have been looking around the Capitol to see what new alliances they could form with other interested parties in order to halt the onward drive of organized maritime labor.

It now appears that they have found certain Government officials and reactionary newspaper publishers with whom they have something in common. The result is the present campaign being conducted through the Washington Post, which is simply the forerunner of a batch of union-busting, antilabor bills which will be introduced at the coming session of Congress.

Among those whom they have enlisted to aid them in trying to deprive the maritime workers of what little gains they made are officials and attorneys connected with the Maritime Commission and Secretary of Commerce Roper, Senator Royal ("Fink Book") Copeland, and other well known labor-hating reactionaries. The fine hand of certain other well known paid attorneys of big business can be seen weaving the pattern and shaping the policy of this combine. All in all, a powerful machine is starting to function, which organized labor will have to battle when Congress goes in session.

Knowing that most Senators and Congressmen read the Washington newspapers religiously and are somewhat gulled by public opinion as expressed through the medium of the press, this combine seized avidly upon the opportunity to use the Washington Post as their means of bringing to the public their distorted and vicious program for the suppression of the rights of the men who go to sea to earn a livelihood.

One phase of the situation which is being strongly played up is the so-called "familiarity" with which the personnel of our passenger ships greet the passenger trade. The writer of this article, who has been a smoke room and deck steward on passenger ships for any number of years and who, whilst thus employed, was in constant contact with the passengers, would like the public to know that, with the exception of a very few isolated instances, this type of false propaganda has absolutely no basis for consideration, and is ridiculous, to say the least. His experience, in fact, was the very opposite, as it is quite a well known fact that stewards on passenger ship shave in many instances, had to tactfully discourage advances of romantically inclined members of the fairer sex.

The other point which is being stressed is the good old "red herring." It seems that some of our best flag-waving superpatriots are afraid that we are all going to stage sit-down strikes if this country becomes embroiled in a war. Did it ever

occur to these so-called patriots that the merchant seamen has just as much at stake as they have, as far as our national safety is concerned? Also has it ever occurred to these people that an overwhelming majority of our present personnel on ships are 100 percent Americans and have an ever-abiding faith in our American Government, particularly as expressed by the present Roosevelt administration?

The writer of this knows that there are Communists who go to sea to make a living as well as those with other political beliefs. He also knows that there are Communists who work in various agencies of the Government as well, but it is a far-fetched argument to state that these people are plotting to take us, particularly at a time when all democratic nations should be welding themselves together to fight the common foe who is now rearing his ugly head in central Europe.

Outside of the two aforementioned flimsy arguments raised against our merchant seamen, what is there really to base any charges on?

We hope that at the coming session of Congress we will be able to tear away the smoke screen which hides the real purpose of these forces of reaction who are lined up against us and let the whole country know for once and all the real truth of the whole situation. Then it will be brought to light that the same greedy industrial interests who mulcted an unsuspecting public of millions of dollars before through government shipping subsidies and through other crooked methods are simply trying to pull the same stunt again but using slightly different methods to fit the moment.

[From the Pilot, November 12, 1937]

WHY SIT DOWN?—WHEN NO OTHER MEANS WILL IMPROVE INTOLERABLE CONDITIONS THEY HAVE BEEN RESTORED TO—THEY ARE PASSING OUT OF THE PICTURE AS THE UNIONS SIGN AGREEMENTS WITH SHIPPING COMPANIES

The seaman, like any other worker, is not a legalist. To preserve the gains he has won through bitter, sometimes bloody, struggle, he often adopts a tactic that might seem, in the eyes of the untutored, super- or contra-legal.

Thus the sit-down strike, as a union weapon to better conditions and to retain improvements aboard ships, evolved out of experience.

Some statistical body has estimated that there have been 3,000 sit-down strikes on ships within the past few years. On the surface, such a figure would appear to be a damning indictment against the seaman and his militant unionism. However, to one familiar with statistics, it is a known fact that figures do not tell the whole story; indeed, sometimes they distort it.

Let us leave the philosophic and legal aspects of the sit-down strike to the experts in these fields, and try to understand why the seaman, as a worker and an American citizen, has used this tactic so widely in the past. (Actually, those aspects of the argument are of second importance, and simply becloud the issue. What is really of paramount importance is the effectiveness of the sit-down. It must not be forgotten that strikes, picketing, boycotts, etc., were once denounced as unmoral and unlawful by those same interests that assail the new tactic. If a moral decision must be made on the question, then it can be argued that the sit-down is right because it has been successful.)

The rise of the Maritime Federation of the Pacific and of the rank and file movement against the labor faking A. F. of L. officials on the east coast gave the average seaman a feeling of newfound strength. For years, the faintest sign of militancy in a seaman meant facing an all-powerful, omnipresent blacklist by both shipowners and union bureaucrats. For all the help many old guard union officials rendered their fellow workers, they might have been adjuncts of the labor-relations department of the shipping companies. Time and again they sold out their trusting union brothers.

Considering the picture of the seaman and that of the shipowner under the huge Government subsidies which the Black investigation has drawn so sharply, and the obvious bias of so-called impartial governmental maritime agencies, is it any wonder that maritime workers had stored up an accumulation of resentment against their employers and a contempt for legalistic hair-splitting, always invoked to their disfavor? Is it any wonder that they mistrusted the shipowners and their hypocritical promises, and employed the most efficacious means to enforce them?

In the days of 1934, when the rank and file movement among seamen had burst through its chrysalis and was feeling its way toward a powerful industrial union, impatient crews aboard ships sat down, either to prod shipowners into signing collective bargaining contracts and living up to them, or to alleviate their miserable living and working conditions.

The new leadership had to fight continuously against a hostile press and radio, combined with the shipping interests to prove that communism and anarchy were disrupting and destroying the American merchant marine. Nevertheless, only in rare instances has the National Maritime Union failed to back up job action or been unable to control it.

The statistics on sit-downs have made no distinctions between the reasons and the extent involved in these job actions. It is easy to gain the impression that the shipping industry has been more or less paralyzed by labor unrest in the past 3 years.

Except for several times during this period when major strikes—not sit-downs, but walk-outs—have been called, the industry has run on as smoothly as any other industry.

The great majority of sit-downs have been employed to obtain satisfaction over meals, living and eating quarters, defective safety and other equipment, and hundreds of little things that singly amount to little but in the aggregate determine the health and comfort of the workers.

Crews have struck over the monotony of their meals which were not varied week in and week out. Before they were challenged by their crews, shipowners would serve the same menus on their ships whether they traveled to the Tropics or to Alaska.

Not only was a menu unchangeable, but it was almost as restricted as a monastery's, and the food was the cheapest money could buy. At one time—not so long ago—tainted meats were served, highly seasoned to disguise their rotten quality. It was a common thing to find a worm in the fruit salad (when fruit salad was served) or in the cereals. Half-rotten vegetables and fruit were rare delicacies. Milk was a nectar.

Living quarters were no better. For instance, four men were placed in a room so small that not even two could dress at the same time—the alleyways were used for that purpose. It was customary for crew members to bathe in a bucket.

Crews have sat-down over their lumpy straw mattresses and pillows. Tired workers don't like tossing in their sleep seeking comfortable positions. And many a crew has sat-down demanding that the ship be fumigated of vermin—wonderful carriers of disease—before she left port.

Such complaints, such conditions, have caused the greater bulk of sit-down strikes. One has only to peruse the section in this paper entitled "Voice of the Membership," which is composed of letters from seamen and crews, to see that this is true.

Sometimes ships have been sat-down in sympathy with strikes of other maritime unions. In many cases these actions have more than an ethical propulsion. Experience has proven to seamen that "green" longshoremen, for instance, are an actual danger to life and limb.

Sit-downs have been employed to secure compensation for overtime and to prevent the discharge of active unionists—in other words to enforce the law of the land.

Of the sit-downs, is there a record of how many are called because of chiseling on agreements and contracts?

A shipowner may promise to provide cleaner focles and messrooms and pay for overtime in a contract or verbal agreement, but the moment a ship leaves port, many or all of these promises may be violated.

Union headquarters are often so swamped by these minor complaints that it may take the delegates a long time to have them adjusted. Sometimes they can't unless crews take action. To the seaman who has fought so long and hard merely to obtain these promises, every day their realization is delayed seems intolerable.

No honest and intelligent union man and leader will deny that some sit-downs are foolish and unwarranted. But this type of job action is actually an infinitesimal percentage of the whole. Even of this percentage, a proportion is faked and provoked.

Such an idea cannot be termed unreasonable or fantastic in view of the La Follette inquiry on labor spies. Paid stool pigeons and provocateurs are sometimes so clever that they cannot be distinguished from real militants. And in a union like the National Maritime Union or the International Longshoremen's Association local on the Pacific coast, where militancy is a proud heritage, a provocateur sometimes strikes fertile soil. But who is to blame for such actions?

The charge against the sit-down strike as a trade-union weapon implies a lack of discipline and responsibility within the union. The technique of the sit-down requires a high degree of discipline and organization within the area involved, and a faith in the union as a whole to support justifiable job action.

In the past, if seamen did not like conditions under which they sailed, they left their vessel and shipped out on another. This, of course, never solved their problems, because when the industry was unorganized, rotten conditions prevailed on all lines.

Instead of escaping from a given set of problems, seamen through the sit-down meet them efficiently and quickly. N. M. U. crews which have complaints that are not satisfactorily adjusted within a reasonable length of time, meet in a body aboard their ships and, after a vote, usually unanimous, decide to sit-down. In the majority of cases, job actions last a short time and the vessel is able to sail on schedule.

If a crew were to leave a ship on strike, an attempt might be made by the company to recruit scabs. What might be only a minor difference could easily develop into a major dispute. Then the losses on both sides would certainly be out of proportion to their cause.

It often happens that a captain and his fellow officers sympathize with the job action taken by the unlicensed personnel. The captain may have been carrying the crew's complaints to shore officials and suggesting that they be acted upon, only to be rebuffed by indifference or red tape. It is amazing how easily a sit-down can cut through indifference and red tape.

In conclusion, it must be pointed out that the era of sit-downs is passing with the signing of agreements on the part of steamship lines with the N. M. U. and other bona fide marine unions. Today, when complaints arise on an N. M. U. ship, the crew takes them to its shore delegates on arrival in port, who in turn takes them to company officials, and usually an adjustment is made without undue friction.

The union is as sensitive as anyone to the charge of irresponsibility leveled at its head because of the sit-downs by its members. Now that it is surer of its power to settle differences around a table with comparative amicability, the N. M. U. has established a policy banning sit-downs as a general tactic.

It has not abandoned this policy entirely. It cannot do this while operators ignore or violate promises and contracts. It cannot do this while the weapon of the sit-down is cheap, effective, and rapid. It cannot do this while the Federal Government guarantees operators huge profits and leaves the seaman to shift for himself.

The philosophy of seamen on the sit-down strike may be summarized briefly.

If the shipowner can avoid the law of collective bargaining, safety-at-sea legislation, or ignore the general health and welfare of his employees, then his employees, as citizens with equal rights, can use any trade-union weapons at their disposal with equal impunity to insure a fair wage and decent living conditions.

Mr. EMERSON. When Mr. Joseph Curran was testifying before this committee on the bill S. 3078 he quoted a paragraph from what is known as the Black Diamond agreement, which dealt satisfactorily with all questions of mediation and arbitration between ships' operators and crews. I herewith submit a copy of the Black Diamond agreement in full, and in addition to referring to the mediation clause, which will be found on page 8, I would also like to bring the attention of this committee to section 2 of article 1 on the first page, which reads:

Both the company and the union agree that while this agreement is in force, there shall be no strikes, or walkouts, or stoppages of work. In the event that any disputes or grievances, arising in connection with the terms and provisions of this agreement, cannot be satisfactorily adjusted by the parties hereto, it is mutually agreed that such disputes or grievances shall be forthwith submitted to arbitration as provided for herein.

The CHAIRMAN. May I ask this question: Is not that agreement which you just read identical with the agreement with the shipowners on the west coast?

Mr. EMERSON. No; it is not identical; it is a better agreement for the seamen in some cases.

The CHAIRMAN. What happened to the one on the west coast? Was that left up to the different men?

Mr. EMERSON. Yes, sir; so far as I know. I cannot answer for the west coast unions only to the extent that they have asked me to represent them in these two instances here. They are not members of

the Committee for Industrial Organization, but they asked me to represent them on various matters, as to which Mr. Lundeborg was supposed to represent them himself.

That whole agreement is said by various people and experts on maritime affairs to be the best agreement that has ever been compiled for maritime workers.

The CHAIRMAN. What is that? Read that, Senator, if you please.

Senator VANDENBERG. It is article 7, on page 8, entitled "Arbitration." It reads:

Upon written notice by either the company or the union that any dispute cannot be adjusted by their respective representatives, such dispute shall be referred for final adjustment to a port committee composed of seven persons, three of whom shall be appointed by the company and three by the union, within 24 hours after receipt of such notice. The six members so appointed shall meet within 24 hours after their appointment, at a time and place suitable to the company and the union, and at that meeting shall select the seventh member of the committee. If they cannot agree on the seventh member, such member shall be designated by the American Arbitration Association, of 8 West Fortieth Street, New York City.

The port committee shall render a decision within 72 hours after the appointment of the seventh member, Sundays and holidays included, and the committee's decision or that of any four of the members of the committee, shall be final and binding on the company and the union. The company and the union shall bear the expenses of their respective appointees to the port committee but shall share equally the expenses of the seventh member of the committee.

In other words, that is compulsory arbitration within certain limitations?

Mr. EMERSON. We consider compulsory arbitration something the members of a union are forced into against their will; but the members of the union have accepted that voluntarily, so we do not consider it compulsory.

Senator VANDENBERG. That is right; but the net result is that under this agreement you are submitting yourselves to conclusive arbitration.

Mr. EMERSON. Yes, sir; we are voluntarily submitting to that, provided it is in the agreement, so that other particular clauses can be in there.

The CHAIRMAN. Is that your standard clause?

Mr. EMERSON. Yes, sir; and that is going to be in every agreement.

The CHAIRMAN. Why not write that into law?

Mr. EMERSON. Would it be necessary to write it into law?

The CHAIRMAN. Why not give the sailors of all ships the benefits?

Mr. EMERSON. We have found that when a thing like that is written into law it gives a chance to offer amendments at times which might not be to the best of our interests.

The CHAIRMAN. Is that the best answer you can make?

Mr. EMERSON. No, sir.

The CHAIRMAN. If that were written into the law——

Mr. EMERSON. Of course, I have no authority to say that we don't like that written into law. I would have to have the authority of the unions. As far as I am concerned, it would be good, speaking for myself.

The CHAIRMAN. What is the effect of that mediation? Does that mean there would not be any strikes?

Mr. EMERSON. There would not be any strikes. We would keep the right to strike. There would not be any because the thing would be arbitrated by such an impartial body, which would have three

men from each side and a seventh who would be impartial, as he or she comes from the American Arbitration Association. If you look over the roster of the association, you will find some leading people in this country.

Senator VANDENBERG. What do you mean when you say you keep the right to strike? You do not keep the right to strike.

Senator MALONEY. Up to that point.

Senator VANDENBERG. That is what I mean; but after arbitration you do not keep the right to strike.

Mr. EMERSON. The right to strike is always ours. That has been guaranteed to us by the present administration. But this thing is worded so that any kind of mediation could be enacted into law.

Senator VANDENBERG. It says:

and the committee's decision or that of any four of the members of the committee shall be final and binding on the company and the union.

Mr. EMERSON. That is so the decision handed down would avoid a strike. The only strike that could be would be if the agreements are up. The only thing that would bring on a strike would be the fact that the operator disregarded the agreement altogether.

Senator VANDENBERG. There could be no strike against the finding of this committee?

Mr. EMERSON. If both sides lived up to the agreement.

Senator MALONEY. You say that if they did not live up to the agreement there could be a strike, but only in that event?

Mr. EMERSON. Only in the event they disregarded this agreement.

Senator MALONEY. If that were written into law, as the chairman has suggested, would that make any difference?

Mr. EMERSON. Not particularly; only for the fact that I cannot say "yes" or "no" for the union, because I have not been instructed to say. Personally, I would say it would not make any difference.

The CHAIRMAN. You have been opposing mediation. You have opposed the mediation of the railroads.

Mr. EMERSON. And for good reasons.

The CHAIRMAN. Now, let us go over this for a minute [reading]:

Upon written notice by either the company or the union that any dispute cannot be adjusted by their respective representatives, such dispute shall be referred for final adjustment to a port committee composed of seven persons, three of whom shall be appointed by the company and three by the union, within 24 hours after receipt of said notice. The six members so appointed shall meet within 24 hours after their appointment, at a time and place suitable to the company and the union, and at that meeting shall select the seventh member of the committee. If they can't agree on the seventh member, such member shall be designated by the American Arbitration Association, of 8 West Fortieth Street, New York City.

Is that not like the plan proposed to you last year about disputes?

Mr. EMERSON. Somewhat similar to this, Senator.

The CHAIRMAN (continuing reading):

The port committee shall render a decision within 72 hours after the appointment of the seventh member, Sundays and holidays included, and the committee's decision or that of any four of the members of the committee, shall be final and binding on the company and the union.

Is that not practically the same as Senator Guffey has in his bill?

Mr. EMERSON. No; in the language of these other proposals there are a lot of other little subparagraphs added before and after such a proposal.

The CHAIRMAN. You do not mean that Senator Guffey has added them, do you?

Mr. EMERSON. To tell you frankly, I hate to see Senator Guffey's name attached to that. It is a disgrace to him. If this alone were enacted into law, it would be a different thing, but it will naturally be added to by a lot of little surrounding clauses. We have seen what happens when a lot of lawyers get to work and write legislation of this type. This is a sample of it. I don't suppose for a moment that Senator Guffey had but the best of intentions in introducing this, but you have got to read it thoroughly and read it through to find the little catches that are purposely put in, so that when interpretation comes up before the Court, labor will get the worst of it.

The CHAIRMAN. Do you think Senator Guffey had that in mind when he wrote it?

Mr. EMERSON. No, I don't think so; and, to tell you frankly, I would like to hear Senator Guffey actually come out and say he wrote that. It is hard for me to believe he did; I don't believe it yet.

The CHAIRMAN. If this language could be written into law just as you have it here—

Mr. EMERSON. [interposing]. Without anything added?

The CHAIRMAN. Without anything added or taken away, that would be satisfactory?

Mr. EMERSON. Naturally it would be satisfactory, but I have to qualify that. That would be something like approaching the millenium, as I have said before, if such a thing did happen and were never taken away.

I will tell you frankly, I don't know what the seamen would do. They might all fall down from the excitement if something like that did happen. It is impossible for something like this to be written.

Every time we have had a bill of this type there has been so much added and so many clauses, one replacing the other.

In this proposed mediation you go from one board to another, and the present group of seamen would be dead before any dispute would be settled. I know one railroad down South where it took the employees 2 years before they could strike.

The CHAIRMAN. Of course, I do not like this bill. This bill came to us from the Maritime Commission.

Mr. EMERSON. That is correct.

The CHAIRMAN. If I know anything about the spirit of the Maritime Commission, it has an honest desire to find some way to establish peace on sea, so that ships can operate and justice can be done all the way around.

Frankly, after I have consulted with lawyers and others I might not agree to this; but, also speaking frankly, it now seems all right to me.

Mr. EMERSON. We would be entirely satisfied with that if we could be assured that nothing would be added or taken away if it were enacted into law, but that is something we cannot visualize.

The CHAIRMAN. Let this entire agreement be made a part of the record.

(The agreement between Black Diamond Steamship Corporation and the National Maritime Union of America, consisting of 20 mimeographed pages, is to be made a part of the record at this point.)

Black Diamond Steamship Corporation, a corporation organized and existing under the laws of the State of Delaware (hereafter called the "company") and The National Maritime Union of America (hereafter called the "union"), in considera-

tion of the mutual promises of each party hereto to comply with the provisions thereof, do hereby agree, on this 6th day of November, 1937, as follows:

ARTICLE 1. GENERAL PROVISIONS APPLICABLE TO ALL DIVISIONS OF THE UNION

SECTION 1. The company in entering into this agreement hereby recognizes the union as the sole collective bargaining agency for the unlicensed personnel employed on board its vessels.

During the life of this agreement the company will permit only the duly authorized representatives of the union on board its vessels for the purpose of transacting union business with, or conducting union activity with respect to, the unlicensed personnel employed on board such vessels.

SEC. 2. Both the company and the union agree that while this agreement is in force, there shall be no strikes, lockouts, or stoppages of work. In the event that any disputes or grievances, arising in connection with the terms and provisions of this agreement, cannot be satisfactorily adjusted by the parties hereto it is mutually agreed that such disputes or grievances shall be forthwith submitted to arbitration as provided for herein.

SEC. 3. Duly accredited representatives of the union shall have access at all times to the vessels operated by the company for the purposes enumerated in section 1 hereof.

SEC. 4. The company agrees not to discriminate against any employee for union activity. The union in turn agrees to insure that these union activities entered into by its members will not be permitted to interfere with the proper working of the vessel.

SEC. 5. No member of the union employed on any vessel operated by the company shall be required to subscribe to, or become a member of, any benefit society or club instituted or sponsored by the company.

SEC. 6. It is agreed that the members of the union employed on board the vessels operated by the company shall have the right to establish on board each of the vessels so operated, a ship's committee, which will represent the union on board the vessel.

It is understood that this committee will be composed of one member each from the deck, engine, and stewards' departments of the vessel.

It is understood and agreed that the duties and functions of the ship's committee shall be to see that:

1. The members of the union employed on board the vessel observe the terms and provisions of this agreement;
2. That the rights and interests of the union in this agreement are protected;
3. That disputes or grievances which may arise in connection with this agreement are presented to the master of the vessel, or to the officials of the company in an orderly manner.

SEC. 7. Members of the union who are in good standing with the union, may remain continuously in employment on the same vessel, provided, that both the company and the member desire such employment to continue.

SEC. 8. It is agreed that the company will not require men to work under unsafe or unduly hazardous conditions at any time. The company agrees to furnish safe gear and working equipment and to make every effort to provide safe working conditions at all times.

SEC. 9. It is agreed that the company will require the unlicensed personnel employed on board its vessels under the terms and provisions of this agreement to perform only the recognized and customary duties of their particular rating.

SEC. 10. It is understood and agreed that the unlicensed personnel will perform all work necessary for the safety of the vessel, crew, or cargo, or for the saving of other vessels in jeopardy, or the lives of persons thereon.

Whenever practicable, lifeboat and other emergency drills, conducted on board the vessel shall be held on weekdays between the hours of 8 a. m. and 4:30 p. m.

Preparation for such drills such as stretching out fire hose, hoisting and swinging out boats, etc. shall not be done prior to the signal for such drill.

Upon the completion of emergency drills all hands shall remain at their station for the purpose of securing boats and gear, while at their emergency stations, members of the unlicensed personnel shall be instructed in their emergency duties by the officers who are responsible for the emergency operations.

Performance of the duties enumerated in the preceding paragraph shall not constitute a valid claim for the payment of overtime.

SEC. 11. All vessels of the company must be properly and safely secured before leaving the dock for a sea voyage. It shall be considered that a vessel is properly secured for sea when the derricks have been lowered, when the beams and hatches are in place and tarpaulins spread.

SEC. 12. In those out ports where there are no regular longshoremen available, members of the crew may be allowed to drive winches for handling cargo, or handle cargo, and for such work, they shall be paid in addition to their regular monthly wage, the prevailing rate paid to longshoremen in New York Harbor.

This section shall not be so construed as to be applicable to any work where Longshoremen are not available due to labor trouble.

ARTICLE II. PORT TIME

SECTION 1. Port time shall commence when a vessel has been secured to a dock or when a vessel anchors for the purpose of loading or discharging cargo. Port time shall not commence in the case of a vessel anchoring because of fog or other impediments to navigation, awaiting tides or berth, or waiting at quarantine to proceed to dock.

SEC. 2. Sea watches shall be maintained until noon or later on days of arrival but in any event, men shall be required to work 8 hours on such days without payment of overtime.

SEC. 3. When vessel drops anchor for the purpose of loading and discharging cargo, sea watches may be continued at the option of the master, but in such event all work performed after 5 p. m. and before 8 a. m. and on Saturday afternoons, Sundays, and holidays, shall be paid for at the regular overtime rate.

SEC. 4. When port time is in effect, the regular overtime rate shall be paid for all work performed after 5 p. m. and before 8 a. m., and for all work performed Saturday afternoons, Sundays, and holidays, except in the case of such exemptions from this rule as may be hereinafter specified in the departmental working rules.

ARTICLE III. OVERTIME

SECTION 1. While port time is in effect all work performed after 5 p. m. and before 8 a. m. and on Saturday afternoons, Sundays, and holidays, shall be classed as overtime unless otherwise provided in the departmental working rules incorporated in this agreement.

SEC. 2. Overtime shall commence at the time any member of the unlicensed personnel shall be called to report for work, provided such member reports for duty within fifteen (15) minutes; otherwise overtime shall commence at the actual time such member reports for duty.

SEC. 3. Where the actual overtime work is less than one (1) hour, overtime for one (1) full hour's work shall be allowed. Where the overtime work exceeds one (1) hour, the overtime work performed thereafter shall be paid for in half ($\frac{1}{2}$) hour periods.

SEC. 4. Continuous overtime shall be paid to men engaged in overtime work from the time the men are called until they are released.

SEC. 5. After overtime has been worked, the members of the ship's committee shall compare the time of overtime performed by the unlicensed personnel with the heads of their respective departments. This comparison must be made as soon as practicable after overtime has ceased. The department head who authorized the work shall countersign the overtime sheet at this time.

SEC. 6. All money due in payment for overtime work shall be paid at the time of signing off or, in any event, not more than twenty-four hours thereafter.

ARTICLE IV. HOLIDAYS AND GENERAL CONDITIONS OF EMPLOYMENT

SECTION 1. The company agrees to recognize the following as holidays: (1) New Year's Day; (2) Lincoln's Birthday; (3) Washington's Birthday; (4) Memorial Day; (5) Independence Day; (6) Labor Day; (7) Armistice Day; (8) Thanksgiving Day; (9) Christmas.

In the event that any of the above-named holidays fall on Sunday, the Monday following shall be observed as such holiday.

SEC. 2. It is understood and agreed that no work, except that required for the routine navigation of the vessel, shall be performed on Saturday afternoons, Sundays, or holidays when the vessel is at sea, except as hereinafter provided in departmental working rules.

SEC. 3. Members of the union when transshipped by the company during the course of their employment, shall be provided with first-class transportation and with subsistence at the rate of five (\$5.00) dollars per day. When travel at night is involved, a berth must be provided.

SEC. 4. When any member of the union is left ashore in any port, and when such member would ordinarily be entitled to transportation under the law, the company shall provide first-class transportation back to the port of signing on;

provided however that where the company is required to provide transportation, it may utilize its own vessels for that purpose.

SEC. 5. The company agrees to designate certain members of the stewards' department on each vessel to whom shall be assigned the duty of cleaning the living quarters, washrooms, and toilets of the unlicensed personnel. Such duties shall be performed only during the regular working hours as provided for in this agreement.

SEC. 6. The following items shall be supplied to the unlicensed personnel serving on board the vessels of the company: (1) A suitable number of clean blankets; (2) white bed linen, which shall be changed weekly; (3) face and bath towels which shall be changed twice weekly.

SEC. 7. Mattresses or pillows filled with straw or excelsior shall not be supplied for the use of the unlicensed personnel.

SEC. 8. All dishes provided for the use of the unlicensed personnel shall be of crockery.

SEC. 9. Suitable messrooms equipped with fixed chairs shall be provided for the use of the unlicensed personnel and such messrooms shall be separate and apart from the sleeping quarters.

SEC. 10. All quarters assigned to the unlicensed personnel and all messrooms provided for their use shall be adequately ventilated, and a sufficient number of fans to secure such ventilation shall be installed.

SEC. 11. The company agrees to install a sufficient number of lockers so that each man shall have ample space to stow his gear and personal effects. One locker 18 by 21 by 72 inches shall be provided for the use of each member of the unlicensed personnel on board the vessel.

SEC. 12. All crew quarters shall be provided with emergency exits.

SEC. 13. Adequate washrooms and lavatories shall be made available for the unlicensed personnel of each department. Washrooms to be equipped with a sufficient number of shower baths which shall be adequately supplied with fresh hot and cold water.

SEC. 14. A recreation room separate from the sleeping quarters shall be provided for the use of the unlicensed personnel on each vessel operated by the company.

SEC. 15. All quarters assigned for the use of the unlicensed personnel to be fumigated and kept free from vermin as far as possible. This is to be accomplished through the use of exterminating facilities provided by the company.

SEC. 16. The meal hours for the unlicensed personnel employed on vessels of the company shall be as follows: Breakfast, 7:30 a. m. to 8:30 a. m.; dinner, 11:30 a. m. to 12:30 p. m.; supper, 5:00 p. m. to 6:00 p. m.

These hours may be varied, but such variation shall not exceed 1 hour either way.

All unlicensed members of the ship's company shall be required to be in their respective messrooms not less than twenty (20) minutes before clearing time, and the messrooms shall be cleared at the close of the above specified meal hours, except in cases of emergency.

SEC. 17. Messrooms provided for the use of the unlicensed personnel shall be equipped with electric refrigerators.

SEC. 18. Members of the unlicensed personnel who complete one year of continuous service with the company shall be entitled to 7 days annual leave with full pay and allowances.

SEC. 19. If because of illness or other reason a member of the unlicensed personnel is assigned for any period to another rating, paying a higher wage rate than his own, he shall receive the higher wage rate during such period.

SEC. 20. A rest period of not less than fifteen (15) minutes shall be allowed in the forenoon and in the afternoon of any working day.

ARTICLE V. CONDUCT

SECTION 1. Members of the union while employed on board vessels of the company, agree to comply with all lawful orders of their superior officers and with all company rules not inconsistent with the terms and provisions of this agreement.

In the event that the members of the union feel that any of the rules and/or regulations promulgated by the company are inconsistent with the terms of this agreement, insofar as the unlicensed personnel are concerned, such members agree to make proper and orderly representation to the company through their union representatives. Such representations to be made directly setting forth the objections thereto.

The company may require the confirmation of any such protest in writing.

SEC. 15. When board and room are not furnished, unlicensed members of the crew shall receive the following allowances:

(a) In lieu of breakfast.....	\$1. 00
(b) In lieu of dinner.....	1. 00
(c) In lieu of supper.....	1. 00
(d) In lieu of quarters (per night).....	2. 00

SEC. 16. When unlicensed members of the crew are required to clean tanks which have been used for the purpose of transporting fluid cargo such as fuel oil, molasses, cocoanut oil, etc., they shall be paid for such work at the rate of one dollar (\$1.00) per hour for straight time and one dollar and fifty cents (\$1.50) per hour for overtime. Nothing in this section shall be deemed to prevent the company from employing regular shore gangs to perform such work.

SEC. 17. If required to clean holds in which bulk sulphur, soda ash, phosphate, bulk cement, etc., have been carried, unlicensed members of the crew shall be paid for such work at the rate of one dollar (\$1.00) per hour for straight time and one dollar and fifty cents (\$1.50) per hour for overtime.

SEC. 18. When unlicensed members of the crew are required to work dynamite or handle explosives of any kind they shall be paid for such work at the rate of \$2.50 per hour.

SEC. 19. When unlicensed members of the crew are required to clean ship's fuel oil tanks, they shall be paid for such work at the rate of one dollar (\$1.00) per hour straight time and one dollar and fifty cents (\$1.50) per hour overtime.

ARTICLE IX. DEPARTMENTAL WORKING RULES

SEC. 1. The company agrees to make effective on board each of its vessels the following working rules as established by the union, viz:

FOR THE DECK DEPARTMENT

1. The regular working hours in port from Monday to Friday inclusive, shall be from 8:00 a. m. to 12:00 noon, from 1:00 p. m. to 5:00 p. m.; on Saturdays from 8 a. m. to 12:00 noon.

2. In all open harbors or roadsteads, the crew shall stand regular sea watches as required by the master, but no unnecessary work shall be performed between the hours of 5:00 p. m. and 8:00 a. m. on Saturday afternoons, Sundays, and holidays.

3. Any work performed on Saturday afternoons, Sundays, and holidays and between the hours of 5:00 p. m. and 8:00 a. m. shall be paid for at the regular overtime rate except as otherwise provided for herein in paragraphs six (6) and ten (10) of this article.

4. Sea watches shall be set when the vessel leaves for sea but not later than noon on the day of departure. Sea watches shall continue in effect until noon of day of arrival or until vessel is properly berthed.

5. When members of the watch below are called on to assist in docking or undocking of the vessel, they shall be paid for such work at the regular overtime rate.

6. If the stay of the vessel in port is not of sufficient duration to permit the breaking of sea watches and sea watches are maintained during the stay of the vessel in port, the unlicensed personnel of the deck department shall stand their regular sea watches and perform such duties as are assigned to them while on watch; provided however, that if the unlicensed members of the deck department while standing their regular sea watches, are required to perform any duties other than those required for the navigation and the safety of the vessel between the hours of 5:00 p. m. and 8:00 a. m. on week days, or after 12:00 noon on Saturdays, or at any time on Sundays or holidays, they shall be paid for the time so worked at the regular overtime rate.

7. Unlicensed personnel of the deck department, when required to keep gangway watch in port between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, shall be paid for such duty at the regular overtime rate.

8. If the watch below is required to break out mooring lines on Saturday afternoons, Sundays, and holidays, when such days are days of arrival, they shall be paid for the work involved at the regular overtime rate.

9. When the carpenter is required to stand by between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, he shall be paid at the regular overtime rate.

SEC. 4. Manning and wage scale:

DECK DEPARTMENT

Rating	Minimum number	Wage scale per month	Rating	Minimum number	Wage scale per month
Boatswain.....	1	\$92.50	Ordinary seaman.....	2	\$60.00
Carpenter.....	(1)	92.50	Cadet.....	(1)	60.00
Able-bodied.....	6	90.00	Deck boy.....	(1)	55.00

ENGINE DEPARTMENT

Deck engineer.....	(1)	\$105.00	Oilier.....	3	\$90.00
Machinist.....	(1)	115.00	Fireman.....	3	80.00
Watertender.....	3	90.00	Wiper ²	1	65.00

STEWARDS' DEPARTMENT

Chief steward.....	1	\$127.50	Galley man.....	(1)	\$70.00
Chief cook.....	1	112.50	Mess man.....	4	65.00
Second cook.....	1	97.50			

¹ Optional.² 1 additional wiper to be added if no deck engineer is carried.³ Minimum.

SEC. 5. Deck engineer when required to perform duties of machinist to receive ten (\$10.00) dollars per month in addition to his regular wages.

SEC. 6. On vessels carrying more than six (6) and not exceeding twelve (12) passengers, the chief steward and cooks shall be paid ten (\$10.00) dollars per month in addition to their regular wages.

SEC. 7. When required to provide his own tools, carpenter shall receive ten (\$10.00) dollars per month in addition to the regular wages.

SEC. 8. When unlicensed members of the crew are required to provide their own uniforms, they shall be paid not less than ten (\$10.00) dollars per month in addition to their regular wages.

SEC. 9. The regular monthly wages shall be increased twenty percent (20%) when vessel is carrying TNT, dynamite, or other high explosives. Such increase to be paid for the time such cargo is actually on the vessel.

SEC. 10. Carpenters, deck engineers, and cadets may be carried at the option of the company.

SEC. 11. A galley man shall be carried on vessels carrying in excess of three passengers.

SEC. 12. On vessels of the company, the manning of the stewards' department shall at all times be in accordance with the following scale.

Total complement of crew exclusive of stewards' division is:	Minimum number in stewards' division
28 or less.....	6
29 to 33.....	7
34 to 38.....	8
39 to 43.....	9
44 and over.....	10

SEC. 13. On vessels of the company engaged in carrying passengers, additional members of the stewards' department shall be added in accordance with the number of passengers carried on the basis of one additional man for each five (5) passengers; provided that where the number of passengers does not exceed three (3) no addition to the aforementioned scale shall be required.

SEC. 14. A full complement of unlicensed personnel shall at all times be employed on those vessels being operated on a regular schedule while such vessels are in port, unless the time between arrival and sailing exceeds ten (10) days or unless such vessels are temporarily withdrawn from service.

SEC. 15. When board and room are not furnished, unlicensed members of the crew shall receive the following allowances:

(a) In lieu of breakfast.....	\$1.00
(b) In lieu of dinner.....	1.00
(c) In lieu of supper.....	1.00
(d) In lieu of quarters (per night).....	2.00

SEC. 16. When unlicensed members of the crew are required to clean tanks which have been used for the purpose of transporting fluid cargo such as fuel oil, molasses, coconut oil, etc., they shall be paid for such work at the rate of one dollar (\$1.00) per hour for straight time and one dollar and fifty cents (\$1.50) per hour for overtime. Nothing in this section shall be deemed to prevent the company from employing regular shore gangs to perform such work.

SEC. 17. If required to clean holds in which bulk sulphur, soda ash, phosphate, bulk cement, etc., have been carried, unlicensed members of the crew shall be paid for such work at the rate of one dollar (\$1.00) per hour for straight time and one dollar and fifty cents (\$1.50) per hour for overtime.

SEC. 18. When unlicensed members of the crew are required to work dynamite or handle explosives of any kind they shall be paid for such work at the rate of \$2.50 per hour.

SEC. 19. When unlicensed members of the crew are required to clean ship's fuel oil tanks, they shall be paid for such work at the rate of one dollar (\$1.00) per hour straight time and one dollar and fifty cents (\$1.50) per hour overtime.

ARTICLE IX. DEPARTMENTAL WORKING RULES

SEC. 1. The company agrees to make effective on board each of its vessels the following working rules as established by the union, viz:

FOR THE DECK DEPARTMENT

1. The regular working hours in port from Monday to Friday inclusive, shall be from 8:00 a. m. to 12:00 noon; from 1:00 p. m. to 5:00 p. m.; on Saturdays from 8 a. m. to 12:00 noon.

2. In all open harbors or roadsteads, the crew shall stand regular sea watches as required by the master, but no unnecessary work shall be performed between the hours of 5:00 p. m. and 8:00 a. m. on Saturday afternoons, Sundays, and holidays.

3. Any work performed on Saturday afternoons, Sundays, and holidays and between the hours of 5:00 p. m. and 8:00 a. m. shall be paid for at the regular overtime rate except as otherwise provided for herein in paragraphs six (6) and ten (10) of this article.

4. Sea watches shall be set when the vessel leaves for sea but not later than noon on the day of departure. Sea watches shall continue in effect until noon of day of arrival or until vessel is properly berthed.

5. When members of the watch below are called on to assist in docking or undocking of the vessel, they shall be paid for such work at the regular overtime rate.

6. If the stay of the vessel in port is not of sufficient duration to permit the breaking of sea watches and sea watches are maintained during the stay of the vessel in port, the unlicensed personnel of the deck department shall stand their regular sea watches and perform such duties as are assigned to them while on watch; provided however, that if the unlicensed members of the deck department while standing their regular sea watches, are required to perform any duties other than those required for the navigation and the safety of the vessel between the hours of 5:00 p. m. and 8:00 a. m. on week days, or after 12:00 noon on Saturdays, or at any time on Sundays or holidays, they shall be paid for the time so worked at the regular overtime rate.

7. Unlicensed personnel of the deck department, when required to keep gangway watch in port between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, shall be paid for such duty at the regular overtime rate.

8. If the watch below is required to break out mooring lines on Saturday afternoons, Sundays, and holidays, when such days are days of arrival, they shall be paid for the work involved at the regular overtime rate.

9. When the carpenter is required to stand by between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, he shall be paid at the regular overtime rate.

10. Maintenance work performed at sea after 5:00 p. m. and before 8:00 a. m. on week days, and on Saturday afternoons, Sundays, and holidays shall be paid for at the regular overtime rate; provided however, that during such hours at sea, the unlicensed members of the deck department on watch shall perform these duties necessary for the routine navigation or safety of the vessel and the performance of such duties shall not be considered as overtime.

11. When unlicensed members of the deck department are required to clean bilges and the immediate safety of the vessel is not involved, they shall be paid for such work at the regular overtime rate.

12. The unlicensed members of the deck department may be required to clean and sweep cargo holds during their regular watch on deck without payment of overtime for such service; except between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, when for such work, they shall be paid at the regular overtime rate.

13. If sea watches are set prior to the day of departure all work performed between the hours of 5:00 p. m. and 8:00 a. m. or on Saturday afternoons, Sundays, and holidays, shall be considered overtime and paid for at the regular overtime time rate.

14. When the watch below is called out to work, they shall be paid at the regular overtime rate except in cases of proven emergency.

15. The day that a vessel arrives from sea shall be considered the day of arrival. After the vessel has been originally berthed, subsequent moves within the port shall be considered as shifting ship and the unlicensed members of the deck department, participating in this operation between the hours of 5:00 p. m. and 8:00 a. m. on weekdays or on Saturday afternoons, and on Sundays and holidays shall be paid for such work at the regular overtime rate.

16. The day of departure shall be the day the vessel leaves for sea from that port from which the vessel is cleared and watches shall be set and maintained from that port.

17. Battening down, rigging up, or securing cargo gear, shall be done by the watch on deck without payment of overtime, except between the hours of 5:00 p. m. and 8:00 a. m. and on Saturday afternoons, Sundays, and holidays, when such work shall be paid for at the regular overtime rate.

18. Unlicensed members of the deck department when required to handle mail or baggage shall be paid for such work at the regular overtime rate.

19. When the unlicensed personnel are required to remove garbage or manure either in port or at sea, they shall be paid for such work at the regular overtime rate.

Sec. 2:

FOR THE ENGINE DEPARTMENT

1. The hours of work for wipers and all other day workers shall be from 8:00 a. m. to 12:00 noon; from 1:00 p. m. to 5:00 p. m. weekdays; and from 8:00 a. m. to 12:00 noon on Saturdays.

2. When charge is being worked between the hours of 5:00 p. m. and 8:00 a. m. or on Saturday afternoons, Sundays, and holidays, unlicensed members of the engine department when on watch shall be paid the regular overtime rate for such duty.

3. Wipers shall be required to assist in the general maintenance work of the engine department. They may be required to blow tubes on those vessels where it is necessary to blow tubes by hand, provided that such work is performed during the regular working hours; otherwise overtime shall be paid. When wipers are required to clean tanks they shall be paid for such work at the regular overtime rate in addition to their regular monthly wages.

Wipers may be required to clean boilers in port when regular shore gangs are not available for such work. For performing this work, wipers shall be paid at the regular overtime rate in addition to their regular pay.

While vessels are in transit through canals or when proceeding into harbors, wipers shall be assigned to trim ventilators whenever heat in the engine room makes it necessary, unless ventilators are being attended to by the watch on deck.

AT SEA

1. The deck engineer shall perform the necessary maintenance work on all deck machinery. If no plumber is included in the ship's complement, he shall also be required to make necessary repairs to domestic service and sanitary lines and to those lines which are connected with the deck machinery.

2. Deck engineer shall not be required to do cleaning work.

3. While on watch, oilers shall not be required to chip, scale, wash, paint, shine brass, or perform any duties aside from their regular routine work. They may, however, be required to wipe hand rails, clean up oil, and otherwise leave safe working conditions in the vicinity of the engine room and around machinery in motion.

On these vessels where the oilers are not required to tend water they may be required to perform maintenance work while on watch between the hours of 8:00 a. m. and 5 00 p. m., provided that such maintenance work does not exceed one hour each watch or interfere with routine sea duty.

Oilers shall not be required to pump liquid ballast, cargo, or fuel oil.

4. Water tenders on sea watch shall be required to tend water and boiler auxiliaries, fuel service tanks, oil temperatures, stack drafts in fireroom, and supervise firing. Water tenders shall be required to handle any valves connected with the operation of the boilers as directed by the engineer officers. They shall not be required to crack stops and warm up steam lines when cutting in; however, when boiler stops have been cracked, they may be further regulated by water tenders at the direction of the engineer officer in charge.

5. Firemen when on sea watches shall not tend water nor shall they leave the confines of the fireroom to oil auxiliaries or do any work not directly connected with the steaming of the boilers.

Firemen, while on sea watch, shall not be required to go behind boilers or below floor plates or above the first grating for the purposes of cleaning. They shall, however, be required to clean floor plates, drip pans, and oil in the immediate vicinity of the boilers. Except as already specified all cleaning work must be done between the hours of 8:00 a. m. and 5:00 p. m., otherwise the overtime rate shall apply.

Nothing in this section shall be construed to relieve the fireman on watch of his obligation to turn his station over to his relief in a safe and orderly condition. This shall be deemed to include the cleaning up of excess oil occasioned by changing burners.

6. Firemen may be required to assist in the blowing of tubes; however, on those vessels not equipped with mechanical tube blowing apparatus, and where tubes are blown by hand, the fireman on watch shall be paid overtime when required to assist in this operation.

IN PORT

1. The hours of work for the deck engineer shall be from 8:00 a. m. to 12:00 noon; from 1:00 p. m. to 5:00 p. m. on weekdays; from 8:00 a. m. to 12:00 noon on Saturdays. He shall be paid overtime for all work in excess of these hours at the regular overtime rate. The deck engineer shall be responsible for the upkeep and maintenance of the deck machinery. He shall not be required to install equipment where such work may be done by qualified shore gangs.

2. Oilers on day work shall assist the engineer officers in maintenance work in the engine department. They shall not be required to do any cleaning of boilers, painting, cleaning paint, polishing work, wire brushing, chipping for scaling; in general, oilers shall be assigned to maintenance work and repair work only.

When cargo is being worked between the hours of 5:00 p. m. and 8:00 a. m., an oiler may be placed on donkey watch for the purpose of oiling winches and deck machinery.

3. On all vessels having water-tube boilers, the water tenders shall be required to stand donkey watches. Watertenders on donkey watch shall tend water and boiler auxiliaries and maintain steam.

Watertenders on day work shall do maintenance work on boiler mountings and equipment necessary for the steaming of boilers in the fireroom. If watertenders are required to work in the engine room, they shall be paid at the regular overtime rate except in cases of proven emergency.

4. Firemen shall be required to tend water and boiler auxiliaries and maintain steam on those vessels which do not carry watertenders.

Firemen on day work shall assist in the performance of maintenance work on boiler mountings and other equipment necessary for the steaming of the boilers. They may also be required to turbine tubes, wash steam drums of water-tube boilers or in the case of Scotch boilers, wash water sides of same.

When a fireman is required to work in the engine room or in places other than the fireroom, he shall be paid for such work at the regular overtime rate, except in the case of proven emergency. Firemen shall not be required to do scaling or bilge or tank cleaning in ports where regular shore gangs are available.

5. While the vessel is in port wipers shall be required to blow tubes and assist in all maintenance work in the engine department.

FOR THE STEWARDS' DEPARTMENT

1. The hours of work for members of the stewards' department shall be eight (8) hours in any one day, between 6:00 a. m. and 6:00 p. m.

2. Members of the stewards' department shall not be required to serve other than the three regular meals which shall be served between the hours of 7:30 a. m. and 6:00 p. m. If on the orders of the master or commanding officer lunches are served in addition to the three regular meals already provided for, one (1) hour's overtime shall be paid to each man actually engaged in preparing and serving such lunch; provided, however, that when meals are served to longshoremen on board any vessel, the sum of thirty cents (30¢) shall be paid to those actually engaged in this work in lieu of overtime.

3. In the case of ships running coastwise, no baking of bread shall be done on board except when ships are at sea more than seventy-two (72) hours.

4. In port all work performed on Saturday afternoons, Sundays, and holidays shall be paid for at the overtime rate.

5. Members of the stewards' department shall not be required to serve meals or coffee to anyone other than members of the ship's company except on the orders of the master or commanding officer.

Cooks, messmen, or those actually engaged in serving hot midnight or 3 a. m. lunches shall be allowed three (3) hours' overtime for preparing and serving same.

Cooks, messmen, or those actually engaged in preparing 9:00 p. m. lunch to be allowed overtime for preparing and serving same as follows: One hour if set for other than crew members; two hours if served.

6. In port all refuse compartments shall be located conveniently to the galley.

7. No member of the steward's department shall be required to serve coffee or meals on the bridge or in the engine room nor shall they be required to enter the same at any time unless for the safety of the vessel.

8. No member of the steward's department shall be required to carry stores or linen.

9. No member of the stewards' department shall be required to paint.

10. When lunches or meals are served to officials or guests numbering three or more persons, one hour overtime shall be allowed to each member of the stewards' department actually engaged in such work.

11. Because of the continuous nature of their work, members of the stewards' department shall receive fourteen (14) days annual vacation with pay and allowances; provided, however that upon the completion of six (6) months continuous service, members of the stewards' department shall be entitled to take half ($\frac{1}{2}$) of their accrued leave, provided further, that no employee shall be permitted to absent himself on leave until a suitable relief has been procured.

ARTICLE X

This agreement shall be binding upon the respective parties for the period to and including September 30, 1938, and shall be considered as renewed from year to year thereafter between the respective parties hereto, unless either party hereto shall give written notice to the other of its desire to amend or terminate the same.

Any such notice shall be given at least thirty (30) days prior to the expiration date. If such notice is not given, the agreement shall be deemed to be renewed for the succeeding year.

ARTICLE XI

This agreement shall become effective immediately upon execution, with the proviso, however, that the new wage scale and overtime rate provided for herein shall become effective on each vessel immediately upon the termination of articles now in existence. The union agrees to submit to the company written proof of the ratification of this agreement by more than a majority of the unlicensed personnel employed by the company, within five (5) weeks from the date hereof.

In witness whereof, Black Diamond Steamship Corporation has caused its name to be hereunto subscribed by its president, and its corporate seal to be hereunto affixed, and attested by its secretary, and the National Maritime Union of

America has hereunto set its hand by the representatives of the respective divisions of the union, this sixth day of November 1937.

Attest·

By BLACK DIAMOND STEAMSHIP CORPORATION,
-----, *President.*

-----, *Secretary.*
By NATIONAL MARITIME UNION OF AMERICA,
-----,
-----,
-----, *For the Deck Division.*
-----,
-----, *For the Engine Division.*
-----,
-----, *For the Cooks' Stewards Division.*

Witness:

The CHAIRMAN. Go ahead, Mr. Emerson.

Mr. EMERSON. At this point I would like to call the committee's attention to a recent exposé of a certain condition that exists with respect to one of our steamship lines. In a release on Thursday, July 1, 1937, by the United States Maritime Commission an estimate is given of the estimated cost of operating subsidy contracts. In connection with this, we noted that the Eastern Steamship Lines, Inc., would receive an estimated subsidy for 6 months of \$98,133.50. Now let us turn to Senate Report No. 46, part III, which is the report of the Senate Civil Liberties Committee, of which Senator La Follette is chairman, and on page 113 we find that the Eastern Steamship Co. is listed as one of the companies using labor spies. They are listed here as employing the notorious Railway Audit & Inspection Co., Inc. To sum up this situation briefly, we have here a steamship company on the one hand obtaining subsidies from the Government and on the other hand using part of their capital to employ labor spies, thus indirectly using the Government of the United States for the purpose of breaking labor unions. Now, when we find that steamship companies will resort to such methods as this, is it any wonder that we are distrustful of them in other things? Incidentally, I would like to state that the list of steamship companies cited in the La Follette report as using labor spies takes up practically a page of the report. I am of the opinion that before any subsidy is granted to any steamship company a thorough investigation of that company's labor policy should be made, and also that any said investigation should be made by an impartial group and not by certain of our Government officials who are known to be bought and paid for, body and soul, by the steamship interests.

The CHAIRMAN. What do you mean by "body and soul, by the steamship interests"?

Mr. EMERSON. Would you like to see affidavits by the dozen, signed statements by various branch agents of our unions, to the effect that inspectors, shipping commissioners, and so forth, are working in the interest of steamship companies in various ports?

The CHAIRMAN. I would, for this reason: That if we have officials of the Government—shipping commissioners and others—who are accepting money to give false reports, it is your duty as citizens to bring that to the attention of the proper authority.

Mr. EMERSON. We have tried to do that. We have tried to bring such matters as partiality being shown by inspectors and by shipping

commissioners, to the attention of the Department of Commerce, but we don't get far there.

The CHAIRMAN. Have you recently made such efforts?

Mr. EMERSON. We have practically given it up.

The CHAIRMAN. How long ago did you give it up?

Mr. EMERSON. I shall have to ask Mr. Mullen to tell me the last time we brought things like that to the attention of the Department of Commerce. That was not during Commander Field's regime in the Bureau of Navigation and Marine Inspection. I will say that although we were opposed to a naval man, he has been, so far, fair and impartial.

The CHAIRMAN. Then, so far as the present administration is concerned, you do not know of any instances of wrongdoing?

Mr. EMERSON. We know of instances where we can't prove a thing, the same as Mr. Mitchell could not prove a lot when he was here 2 years ago. He made a lot of charges, but those are things that are hard to prove. It is impossible, almost, to prove them.

The CHAIRMAN. Are they not simply charges?

Mr. EMERSON. That is what they are. Morally we know we are right, but we cannot prove it.

The CHAIRMAN. You suspect it. If it were really a fact, could you not prove it?

Mr. EMERSON. It was not so long ago I was in Baltimore, and I went into the Shipping Commissioner's office. A young fellow happened to be sitting there. He was getting what is termed a "fink" book.

I said to the Assistant Shipping Commissioner, "Does everybody have to take that?"

"Yes," he said, "unless they are un-American, they will take it, and they should take it—all of them."

In other words, even though this Seventy-fifth Congress, through Public Law 25, passed a law stating that it would be optional as to whether or not the continuous discharge book was carried by seamen, imposing a fine on any person who tried to force a seaman to take one or the other, the law is being violated by these various shipping commissioners.

The CHAIRMAN. All right. Let me ask you a question: Do you permit a man to sail on a ship where your union is in charge if he prefers to take a "fink" book instead of a certificate?

Mr. EMERSON. There is no law against permitting him to sail.

The CHAIRMAN. All right, but I am not asking you about the law. You had a gentlemen's agreement with us that you would not discriminate against these people.

Mr. EMERSON. That is right.

The CHAIRMAN. But can one go aboard a ship now controlled by your union and use a "fink" book?

Mr. EMERSON. If they have a book, they can. Yes, there are some men, although they are turning them in fast; they don't want them.

Perhaps, you state, we have shown bad faith; but here is the thing we found. We have found a man who has gone aboard who has these books. Another man has a certificate. That night they have a drink or two in a saloon, and they have a difference of opinion as to which should be carried, the "fink" book or the certificate, and naturally the fight ensues. We cannot stop such fights on the waterfront.

The CHAIRMAN. Then, you do not have to prove those fights; you know of them?

Mr. EMERSON. No, we know that. Naturally, it takes two men to pick a fight.

The CHAIRMAN. Will your union permit a man to sail using the "fink" book in preference to a certificate?

Mr. EMERSON. Since it is the law, as far as I know, there has been no discrimination.

The CHAIRMAN. I know of instances.

Mr. EMERSON. Well, perhaps you do. Perhaps you have better information than I have.

The CHAIRMAN. I want to ask if it is the policy of the union to insist—

Mr. EMERSON. I will tell you what I will do. Mr. Whalen, agent of the port of Baltimore, is going to be a witness following me. He will be able to tell you exactly how it works on the water front.

The CHAIRMAN. All right.

Mr. EMERSON. With regard to the bill S. 3078 itself, we have several minor amendments which we should like to offer.

The CHAIRMAN. Which is the first one?

Mr. EMERSON. That on page 3, line 21, the word "and" be stricken from the bill and that there be inserted in lieu thereof the word "in."

The CHAIRMAN. You want to take out the word "and"?

Mr. EMERSON. Yes, and to insert the word "in." It was evidently an error in printing.

Senator ELLENDER. Which "and"?

Mr. EMERSON. The first one.

The CHAIRMAN. The one you refer to is the first "and" and not the second one?

Mr. EMERSON. Not the second one; no.

The CHAIRMAN. All right. What is your next amendment?

Mr. EMERSON. It is on page 4, line 7—

Senator MALONEY. I do not see why that could not properly be "and."

Mr. EMERSON. It would give the inference that the Commission was going to investigate ocean-going shipping, when that has already been investigated.

The CHAIRMAN. All right; proceed.

Mr. EMERSON. Page 4, line 7. After the sentence ending with the word "prescribe" the following new sentence should be inserted:

The duly elected representatives of the organizations certified as the proper collective bargaining agencies shall have the right to represent the employees who are members of their organizations at any such hearings held.

The CHAIRMAN. Let us get the significance of that.

Mr. EMERSON. I will tell you why that is necessary. We have found that there are some Government agencies where, in order to appear and represent someone, you have got to be a practicing attorney. This we discovered in the Federal Communications Commission. In order that such rules and regulations should not be promulgated for the Maritime Commission, which would be detrimental to our union officials, making it impossible for them to appear, we have added that.

We consider this amendment necessary in order to safeguard our right to be represented at all hearings held by the Maritime Commission, by the representatives of our own choice. While the present

Maritime Commission has at all times given us every opportunity to appear and be heard on all subjects, we feel that this is simply a safeguard for the future, so that rules cannot be promulgated which would interfere with our right to be heard

The CHAIRMAN. By that you mean both unions would be represented?

Mr. EMERSON. Any union which has been certified as the proper collective bargaining agency.

The CHAIRMAN. What is your next amendment?

Mr. EMERSON. That on page 4, lines 15 and 16, the words "as provided in this section" be stricken from the bill.

The CHAIRMAN. Why?

Mr. EMERSON. We feel that this amendment is necessary in order to offset any attempt which would allow the minimum manning and wage scales and working conditions to become the standard for the industry.

The CHAIRMAN. All right. What is next?

Mr. EMERSON. On page 5, subsection (2) is to be amended to read as follows:

Licensed officers and unlicensed members of the crew shall be entitled to make complaints or recommendations to the Commission through the authorized representatives of their respective collective bargaining agencies.

We consider this amendment necessary for the reason that the Wagner Act having been declared constitutional by the Supreme Court, and the National Labor Relations Board through the act having been granted the power to certify the proper collective bargaining agency, the representatives of that agency should be entitled to bring the complaints or recommendations of the members of their organizations to the Commission.

The CHAIRMAN. What is next?

Mr. EMERSON. That on page 5, line 8, the word "shall" shall be stricken out and that the word "may" shall be substituted in lieu thereof.

The CHAIRMAN. Why should they not wear that insignia?

Mr. EMERSON. There is no reason, but the word "shall" makes it compulsory, while the word "may" gives them their choice. Do not forget that licensed officers on merchant ships have to buy that gold braid, and it costs them money. We feel it is necessary to add this wording to this section of the bill.

The CHAIRMAN. What is your next one?

Mr. EMERSON. That on page 5, line 12, there be added after the semicolon the following words: "or the Federal Communications Commission."

As the radio operators on ships come under the jurisdiction of the Federal Communications Commission and are also licensed by that Commission, we feel that it is necessary to add this wording to this section of the bill.

The CHAIRMAN. What is the next one?

Mr. EMERSON. That on page 5, line 21, the words "qualify as" be stricken out and the word "become" be inserted in lieu thereof.

We do not want to make it compulsory; we want to give them a choice.

The CHAIRMAN. Do they want to be members of the United States Naval Reserve?

Mr. EMERSON. I suppose a great many of our merchant seamen are members of the Naval Reserve.

We also would like to submit a new clause to be added as a subsection somewhere on page 5, wherever it is found convenient, to read:

That nothing in this act shall be construed to restrict the right of any officers or members of the crews of any ship receiving or operating differential subsidies or operated by the Commission from enjoying the rights guaranteed such persons under the National Labor Relations Act.

The CHAIRMAN. Just what does that mean?

Mr. EMERSON. We feel that this is necessary, as when the Merchant Marine Act of 1936 was enacted into law, although many pages of the bill were given over to the subject of ships and construction, and so forth, very little consideration was given in regard to the men who man those ships and very little detail as to any protection they would receive. Therefore, we feel it absolutely necessary that those rights guaranteed us by law be incorporated and made a part of this bill now before the committee.

The CHAIRMAN. Read again the language you propose.

Mr. EMERSON (reading):

That nothing in this act shall be construed to restrict the right of any officers or members of the crews of any ship receiving or operating differential subsidies or operated by the Commission from enjoying the rights guaranteed such persons under the National Labor Relations Act.

The CHAIRMAN. What about that?

Mr. EMERSON. That is actually in effect. The Maritime Commission has taken the stand that we are not a proper collective bargaining agency to be certified on ships operated or controlled by the Maritime Commission.

The CHAIRMAN. Go ahead.

Mr. EMERSON. Our next amendment, as proposed, is that all the language in the bill, starting with line 7, page 6, and ending with line 4, page 7, be amended to exclude any provisions whatsoever for the construction abroad of American merchant ships; and that that section of the bill starting with line 8, page 8, and ending with line 3, page 9, be stricken out.

I should like to make a short statement with respect to that.

The CHAIRMAN. Just before you start, what does that mean?

Mr. EMERSON. It means that we do not want any of our ships built abroad or to go under foreign registry.

Senator MALONEY. Ships for which the American taxpayers are going to pay.

The CHAIRMAN. All right. I have some sympathy with you on that, strange as it may seem.

Mr. EMERSON. Both the Copeland and the Bland bills contain a provision that under certain circumstances when bids for the building of ships are too high these new ships may be constructed in foreign shipyards and operating subsidies be paid by the Maritime Commission to the shipowners in connection with such new ships if documented under the laws of the United States. Our proposed amendment would eliminate any such provision.

It is our thought that under no circumstances should ships be permitted to be built in foreign shipyards and thereafter receive Government subsidies. Instead, where bids are too high or collusive, then they should either be built in navy yards or other Government yards,

or the Government should do something to bring the bids down from an unreasonable or collusive basis.

The CHAIRMAN. The argument used by the Maritime Commission is that if the Commission were permitted to receive bids from foreign yards, it would serve two purposes. The first purpose would be to put American shipbuilders on notice that they are liable to lose a job. In the second place, it would probably result in lower bids for those ships. Of course, that is the argument they use. I have never had any faith at all in the argument that, under any circumstances, those ships would be built abroad, but that was the argument.

Senator VANDENBERG. I have had some experience, I think, with collusive bidding, and there is need for protection against it, but I am inclined to think that the suggestion you make would protect it, and I cannot see any justification for American subsidies on foreign-built ships.

Mr. EMERSON. I don't think so.

Senator MALONEY. I do not think any Member of the Senate feels that way.

Mr. EMERSON. I do not think the Maritime Commission thought for a moment that it had any chance of getting this through.

The CHAIRMAN. Go ahead.

Mr. EMERSON. We suggest that on page 10, line 19, the comma after the word "years" be stricken out and that there be inserted in lieu thereof a period. We suggest that that part of the bill beginning with the word "or" after the aforementioned period, and ending with the word "period" on line 21 be stricken from the bill.

The CHAIRMAN. The point about that is that forever and ever they would be documented under our law?

Mr. EMERSON. That is right, sir; it would not allow any ship built through subsidies to become the property of or be used by some foreign merchant marine.

The CHAIRMAN. All right. What is your next?

Mr. EMERSON. That on page 19, lines 22 and 23, the words "(except as provided in section 502 (b)) or" be stricken from the bill and a comma inserted in lieu thereof.

Senator VANDENBERG. What would that do?

Mr. EMERSON. That just clears up the point about allowing them to build them in foreign shipyards.

The CHAIRMAN. What is your next one?

Mr. EMERSON. That the section of the bill beginning with line 11, page 20, and ending with line 9, page 22, be stricken out.

We are opposed to this proposed new section of the act, both from the viewpoint of organized labor and from the viewpoint of the general public, which has to foot the bills for these subsidized ships. Under this new proposed section it would be possible in time of maritime industrial strife for any group of shipping interests, if through not being able to sail their ships on account of such strike situation their subsidies were stopped, to transfer their vessels to foreign registry and to man them with foreign crews. From the viewpoint of the general American public, it can also be readily seen that the reaction toward letting American ships which have been built with American taxpayers' money be operated under foreign flags would be highly unfavorable under any circumstances.

We are sure that the public would not stand idly by and see the ships they had paid for being operated under foreign flags and with foreign crews. Therefore, we are unqualifiedly opposing this whole new section of the act which has been proposed here in this bill.

The CHAIRMAN. What is your next amendment?

Mr. EMERSON. That all the language beginning with the word "except" on line 25, page 26, and ending with the word "service" on line 13, page 27, be stricken from the bill.

I do not think we have to do much explaining as to our reasons for opposing this part of the bill. From a laborer's viewpoint our picture of any person receiving a salary of \$25,000 a year means that that person will be living in luxury and could hardly want for anything in this world, even with the present high standards of living. Any executive in the shipping industry who has risen to such a prominent position and who is capable of earning a salary of \$25,000 a year has evidently become pretty well established financially by the time he has reached that status.

We further feel that any such individual who has attained that status should be willing to render his country a service by giving of his time and energy to promote the merchant marine without taking into consideration the question of monetary remuneration. Any such executive who has a true interest in our maritime affairs and who has the country's best interest at heart as a whole should certainly put these matters before his own personal welfare and gain. Therefore, we are opposing this section of the bill unqualifiedly.

I have one more amendment to the bill proper.

We suggest that lines 1 and 2, on page 29, be stricken from the bill. We say that with reservations.

Senator MALONEY. Just what is that section?

Mr. EMERSON. In opposing this section, we do so with reservations. It will be in order for a full and detailed explanation to be made by the proponents of this bill. They want section 810 of the present act repealed. We will be better able to determine our stand on this subject after such explanation has been given.

Senator MALONEY. That is the section we enacted a year ago?

Mr. EMERSON. Yes, sir; they are asking for its repeal.

The CHAIRMAN. It is about the conferences?

Mr. EMERSON. It is about the conferences; yes, sir.

The CHAIRMAN. The explanation is that this section does not accomplish the purpose intended; that is, to compel a conference to admit an American carrier for membership. It merely places a severe penalty on an American contractor who happens to be a member of such conference and who, in fact, may have voted to admit the complainant. If a conference is unjustly discriminatory or unfair to an American carrier, the Commission has the power, under the provisions of the Shipping Act, 1916, to disapprove the conference agreement and thus adequately deal with such situations. The penalty provided in the section applies only to American members of the conference and thus places those members in a most disadvantageous position as opposed to the foreign members. It is therefore suggested that the section be repealed.

You do not express any positive opinion about it?

Mr. EMERSON. No, sir.

In regard to the establishment of training schools for seamen, we recommend an amendment. When Mr. Curran was before the committee, he submitted a general idea. We have drafted this in the form of our proposed amendment. We still say, and we are on record as saying, that we would like to have the cooperation of your training schools.

Senator VANDENBERG. Is this a substitute for the language on training schools in the bill?

Mr. EMERSON. Training schools are taken up on page 31.

The CHAIRMAN. You are proposing a substitute?

Mr. EMERSON. Yes. Our proposed amendment is this:

(a) The Commission is hereby authorized and directed to appoint a board of 10 members, 5 persons to be representatives of the Commission and 5 persons to be representatives of the labor organizations involved, which board shall establish, under such rules and regulations as it may prescribe, a system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and shall employ as instructors such qualified licensed and unlicensed personnel from the merchant marine as the board may deem necessary to effectuate the purposes of this section.

(b) The board is authorized and directed to determine the number of persons to be enrolled for such training, to fix the rates of pay of such persons, and to prescribe such courses and periods of training, as in its discretion is necessary to maintain a trained and efficient merchant marine personnel; provided, however:

(1) That in the enrollment for such training, preference shall be given to those persons who have been employed in the merchant marine as seamen and who do not meet the standards required by the present laws or who desire further training;

(2) The rates of pay for the persons enrolled for training and for the practical instructors shall be at least equal to the prevailing wages for similar class of work in the merchant marine and for theoretical instructors, the rates of pay may be on a contract or fee basis.

Before the House Merchant Marine Committee we also said that if a person had not had any previous experience at sea, we would like to have the Commission rate him at cadet's pay, or something to that effect. [Continuing reading:]

(c) The board, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, service, facilities, officers, and employees thereof in carrying out the provisions of this section; provided, however, that in connection with the training service the board shall establish training ships on the Atlantic, Pacific, and Gulf coasts, and in the Great Lakes, which training ships shall be provided with all the facilities necessary to effectuate the purposes of this section.

(d) There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the board in carrying out the provisions of this section, including the compensation for the members of the board, which shall be fixed by the Maritime Commission.

The CHAIRMAN. You propose five persons to be representatives of the Commission and five persons to be representatives of labor organizations involved?

Mr. EMERSON. Yes.

The CHAIRMAN. I suppose you contemplate that within a reasonable time every sailor aboard ship will be a union man?

Mr. EMERSON. They practically are today.

The CHAIRMAN. This does not say it will be from one union.

Mr. EMERSON. No, sir; we left that open, because whatever union has been certified legally by the National Labor Relations Board will be the union involved.

The CHAIRMAN. Why do you object to having the training done under some system of supervision by the Coast Guard?

Mr. EMERSON. I do not see why we should drag the Coast Guard into this. They are primarily a life-saving organization and are also to help commerce in disaster. They have a nice little organization working up and down the coasts.

I take it that in time this would mean that they would have to enlarge to such an extent that they would be in complete turmoil.

Another thing: I would like to see the Coast Guard with its present staff and personnel try to train stewards and cooks for large trans-Atlantic liners. The Coast Guard does not have the facilities.

If we are going to ask the Coast Guard to do this, we might as well set up a separate agency, such as we propose here, where it will not interfere with the Coast Guard or anything else.

We have a Maritime Commission the duty of which is to see that ships are manned by efficient and well-trained crews. Therefore, why should not the Maritime Commission have jurisdiction over that? Why bring in a branch of the service which has all it can do and which is not equipped to do this work?

The CHAIRMAN. What objection have you to having this done by the Maritime Commission itself?

Mr. EMERSON. That is what we say. We ask that the Commission set it up. We are asking the Commission to do this.

The CHAIRMAN. Why do you go so far as to ask them to set up a new group outside their power, or do you mean by this that this would really develop within the Commission a bureau for this purpose?

Mr. EMERSON. That is correct.

The CHAIRMAN. A bureau with a personnel such as you have suggested?

Mr. EMERSON. Yes, sir; that is correct.

The CHAIRMAN. Suppose we had such a school or such an establishment. Then what would happen to the graduates of that school when they had finished their course and were ready for service on ships? Would they then be permitted to go abroad without joining unions?

Mr. EMERSON. Would they be permitted? No. How would they get aboard ship where the company had an agreement with the union?

The CHAIRMAN. That is to say, after a man had taken the training, he would then join a union and go through the hiring hall?

Mr. EMERSON. If it was a case where the company had a contract with the union. If the company had no contract with the union and employed scab labor, I do not suppose he would have any trouble getting in at all.

The CHAIRMAN. What is your opinion? Be frank about it. Suppose we established a bureau exactly as you have suggested and it has been in operation long enough to have produced student graduates. What will be the effect of that? What is going to happen?

Mr. EMERSON. He graduates, and he wants to go to sea. So, if through ignorance of the situation, which the young fellow might not know of, he goes to a steamship company and says he would like to get a position on one of their ships, he having just graduated from a Government school, the official of the steamship company would say, "We have an agreement with such and such a union. You go to the union, become a member, get on the list, and when your turn comes you will be shipped out."

Of course, there was a question brought up at one time as to when a man could not belong to a union. When we have an oversupply of workers in an industry, why should more workers come into that industry? I think it is the duty of the Government to find work for those workers so that there will not be an oversupply.

The CHAIRMAN. Do you contemplate after this plan is functioning that that would be the only way a man could to go sea?

Mr. EMERSON. It would be good for this reason: You would know the supply and demand. You would know how many are going to training school, so that there would not be too many or not enough. I think they would be kept steadily employed.

As you can see through the Maritime Commission's program, we are going to need more men later on.

The CHAIRMAN. You have not answered the question. Would every seaman in the future be one who had graduated from the school? Would you have any other way of getting into this occupation?

Mr. EMERSON. Yes; through ordinary channels as we have at present, but training is not going to hurt any of them, and training is not going to do no good.

The CHAIRMAN. What I want to know is your attitude about this. Suppose we go to the expense of establishing such a bureau and set up such a school. Then is that to be the only gateway to the sea?

Mr. EMERSON. No; I do not think it has been proposed that that would. Perhaps it would be likened to a college, and have it that way, but we have not given it that line of thought. We think this would be one way of having an efficient personnel. It would not be construed as being the only way.

The CHAIRMAN. The point of it is that you believe there should be some system for a systematic training of seamen?

Mr. EMERSON. If we are going to have it, let us have a good one. I do not believe training ever hurt anybody. If it was properly administered and not conducted for antilabor philosophy, such as has been on our State school ships, it would be a good thing. We have never been in favor of the system they have on the four State school ships. We advocated last year before the Merchant Marine Committee a national policy on this.

We are in favor of proper training schools, but we do not want them to get into the wrong hands and be made strike-breaking agencies, such as was brought to light last year at the hearing, when it was stated that one school ship supplied scabs during a strike.

The CHAIRMAN. Do you contemplate that if this plan were worked out, the Government would discontinue its appropriations to these State schools?

Mr. EMERSON. Yes; I think that the State schools are limited. Their appropriations are limited, and they are limited in their capacity. I think the national plan would be a great help, inasmuch as you must understand that those schools have partial support from the States from which ships sail, and they are inclined to favor citizens from the States which they serve.

The CHAIRMAN. What else have you?

Mr. EMERSON. I wish to make a short statement in opposition to the proposed mediation and arbitration boards.

During the period starting shortly before Congress convened for the special session and continuing up until the present time, an intensive propaganda and publicity campaign has been carried on through the paid press, over the radio, and by various other means by representatives of interests who have been bending every effort to try to convince the American public at large that the maritime industry will fold up unless compulsory mediation is established for the purpose of settling labor disputes between the employers and the employees in that industry.

It is interesting to note in connection with this that, following up this campaign, the Maritime Commission in its report to Congress recommended that legislation be enacted which would create for the maritime industry machinery for the settling of labor disputes similar to that employed for settling disputes in railway transportation. However, we feel that regardless of what measure of success had been accomplished or is claimed as a result of the application of the Railway Labor Act to the employees in rail transportation, any effort to apply this act or legislation of a similar type at this time to the maritime industry is not done primarily for the purpose of bringing industrial peace to our water fronts.

We know the real purpose of this proposed legislation. It is purely an attempt to sabotage and hinder the growth of the progressive maritime unions.

Senator VANDENBERG. Is that the purpose of the Commission?

Mr. EMERSON. I do not know whose purpose is behind it; I could not state that.

The CHAIRMAN. There is some ulterior motive, is there?

Mr. EMERSON. Of somebody, somewhere, as I say, in Washington. It is another one of those vague, mysterious things on which we have nothing to found an argument, but we know it is there.

The CHAIRMAN. Just trickery?

Mr. EMERSON. Yes.

The CHAIRMAN. Well, of course, I don't believe that.

Mr. EMERSON. The shipping interests and their allies in industry have recently learned, after a costly experience, that they cannot defeat us on the waterfront, so now they have turned to more subtle and deadly methods, the courts and legislative channels.

The CHAIRMAN. Who are "they"?

Mr. EMERSON. The shipowners.

The CHAIRMAN. The shipowners wrote this bill?

Mr. EMERSON. By the writing of it, I would not even accuse the shipowners; it is too bad.

A casual glance at the proposals incorporated in these proposed mediation clauses in this bill is enough to warn labor that it is being attacked. On page 25, section 1003, we see this verified.

The CHAIRMAN. Well, let us see this deadly thing.

Mr. EMERSON. On page 35, beginning with line 19, section 1003 reads:

SEC. 1003. If any dispute shall arise among the employees of a maritime employer as to who are the representatives of such employees designated and authorized to act for them for the purposes of this title, it shall be the duty of the National Labor Relations Board, upon request of any party to the dispute, or the maritime employer, promptly to determine, in the same manner as provided in the National Labor Relations Act for the selection of representatives for the purposes of collective bargaining, and to certify to the parties and to the mari-

time employer in writing, the name or names of the individuals or organizations that have been designated and authorized to represent the employees involved in the dispute. Upon receipt of such certification the maritime employer shall treat with the representatives so certified as the representatives of such employees.

Since when could an employer go to the National Labor Relations Board and get a dispute settled?

The CHAIRMAN. Don't you think he should have the right to? Don't you think the employer should have some appeal to that Board?

Mr. EMERSON. Surely, that might be all right if he could get honest employers. Some of them are.

The CHAIRMAN. It is too bad that all the honesty is in the labor unions.

Mr. EMERSON. Most of it is; yes, sir; that is why we don't have any money.

The CHAIRMAN. This thing you are pointing to here, as I understood it when it was presented to us, was to make it clear what particular group should be dealt with by the employer.

Mr. EMERSON. That is right. When they had a chance to set up company unions and they had the power to go to the National Labor Relations Board, they would have had a chance to get those unions certified if they could. This Board is the best friend labor ever had.

Senator VANDENBERG. Could this apply to a jurisdictional dispute between the C. I. O. and the A. F. of L.?

Mr. EMERSON. Do you mean as it reads there?

Senator VANDENBERG. Yes; would that be one of its purposes, I mean?

Mr. EMERSON. The maritime employer could come forward and say, perhaps, "Here; let us have an election to make sure who is the collective bargaining agent on my ships." The main purpose is to go ahead and try to build up a company union like that.

Senator VANDENBERG. Let us eliminate the company union, because under the act, certainly, a company union is not entitled to function.

Mr. EMERSON. I will give you an example of what a maritime employer would do in order to get the proper collective bargaining agency certified. The Eastern Steamship Co. sent out a passenger ship on a special trip. They took her out of the drydock and sent her on a special trip during election time and packed her with a bunch of A. F. of L. employees, so that she would be certified, and the Eastern Steamship Co would be certified as dealing with the A. F. of L. That ship was the *Evangeline*.

Senator VANDENBERG. Was there a jurisdictional dispute between the A. F. of L. and the C. I. O.?

Mr. EMERSON. There had been.

Senator VANDENBERG. Should there not be some method of umpiring a jurisdictional dispute?

Mr. EMERSON. Oh, yes. I get your point.

Senator VANDENBERG. That is what I am getting at.

Mr. EMERSON. The National Labor Relations Board was set up to see that the worker got justice. There have been many agencies set up to see that the employer got justice—too many, in fact.

Senator VANDENBERG. This is a question of trying to find out how to run a ship. As far as the employer is entirely in good faith—let us assume for the sake of argument that there are such employers——

Mr. EMERSON. There are some.

Senator VANDENBERG (continuing). He should not be left at the mercy of a dispute between two jurisdictional unions.

Mr. EMERSON. We have the present Wagner Act.

The CHAIRMAN. That is exactly what is proposed here.

Mr. EMERSON. It is an attempt to defeat the Wagner Act.

The CHAIRMAN. You have a plan which is for mediation or arbitration.

Mr. EMERSON. Yes, sir.

The CHAIRMAN. Is it not necessary to determine what bargaining groups shall be the ones to deal with?

Mr. EMERSON. That is true.

The CHAIRMAN. What does that mean here?

Mr. EMERSON. Oh, it states that the employer can go to the Board here. This looks to me like an attempt on the part of certain interests to have the Wagner Act interpreted differently by the courts, and it would have a different interpretation placed upon it if this bill in its present form went through. All labor would be affected by that one paragraph there.

Senator COPELAND. Isn't it terrible that the President of the United States has chosen Mr. Kennedy to represent this country in Europe?

Mr. EMERSON. I think he will make a good Ambassador.

The CHAIRMAN. So long as he is not with the Maritime Commission?

Mr. EMERSON. That is right. I think it will be quite a change to have a businessman for Ambassador.

Senator VANDENBERG. Suppose this maritime employer finds himself at the mercy of a jurisdictional dispute. Can he now go to the National Labor Relations Board and have it adjudicated?

Mr. EMERSON. The parties to the dispute have all been going, they have never refused. There have been twenty-odd elections held, and we have about forty more to hold. They are going on all the time right now.

The CHAIRMAN. You propose here a very excellent system of arbitration [reading]:

Upon written notice by either the company or the union that any dispute cannot be adjusted * * *.

Suppose there is a jurisdictional fight and it has not been determined yet?

Mr. EMERSON. It goes to the National Labor Relations Board.

The CHAIRMAN. All this provides is that the employer himself shall have a chance to ask the Labor Relations Board for a decision.

Mr. EMERSON. But, Senator Copeland, why was this little paragraph inserted in the maritime bill? Why was it not introduced as a separate item?

The CHAIRMAN. I do not know about that.

Mr. EMERSON. I would like to know.

The CHAIRMAN. I can see how, because of the fact that it is in the bill, it is a very tricky thing.

Mr. EMERSON. This would change the whole Wagner Act, because under the present interpretation of the Wagner Labor Relations Act the employer cannot go to the Board.

Senator VANDENBERG. That is not in the act; that is in the interpretation.

Mr. EMERSON. But it would give power to promulgate new rules and regulations.

Senator VANDENBERG. They have that power now, have they not?

Mr. EMERSON. It seems that certain interests are not satisfied that we have a good, honest National Labor Relations Board.

The CHAIRMAN. Is the act sacrosanct? Is it never to be changed?

Mr. EMERSON. No doubt it will be changed, but why change a thing when the overwhelming majority are in favor of it?

The CHAIRMAN. If I were seeking trickery, I would look at you. You have proposed a system of arbitration, and then you make it impossible for the employer to find out what group shall be dealt with, and therefore he cannot argue. That will give you an excuse to say, "That is too bad, but we cannot do anything with this child."

Mr. EMERSON. Do you mean to tell me you have ever seen a case in the maritime unions in any shipping line, where there was a jurisdictional dispute between the C. I. O. and the A. F. of L., when either party did not go to the Labor Board and ask for jurisdiction? There isn't one; they are all up for election.

The CHAIRMAN. One or the other union will blow up.

Mr. EMERSON. I suppose, perhaps, there will be another one. Maybe in a year it will be the C. I. O., which in a year it will be, as it is proving, in the maritime union. They will all be C. I. O.

The CHAIRMAN. This is evidence of perfidy on the part of the Board in recommending this particular language in the bill.

Have you anything else?

Mr. EMERSON. I should like also to call your attention to page 40, which is the last page of the bill, section 1007.

Senator VANDENBERG. Before you go to that, the final sentence in the paragraph which you have just referred to reads:

Upon receipt of such certification the maritime employers shall treat with the representatives so certified as the representatives of such employees.

Mr. EMERSON. That is right.

Senator VANDENBERG. I do not see how that gives the employer any latitude. Is not the whole thing in the hands of the Labor Board?

Mr. EMERSON. It gives the employer a chance to come to the Board, but mainly it is setting up a company union in his own plant or ship, or whatever it may be.

Senator VANDENBERG. Yes, my friend; but under the Labor Act the Board is prohibited from certifying company unions.

Mr. EMERSON. I think Mr. La Follette can describe that better than I can and can tell you more about it. He brought out a lot of that before the Civil Liberties Committee.

Senator VANDENBERG. But the National Labor Relations Board checks that every time.

Mr. EMERSON. As nearly as they can. You could not go around and check every ship.

Section 1007, on page 40, reads:

Except as provided in this title with respect to maritime employers and their employees, nothing herein shall be construed to repeal or amend any provision of the National Labor Relations Act or to restrict the powers and duties conferred upon the National Labor Relations Board by said act.

A careful interpretation of this section shows that while the powers of the National Labor Relations Board will not be impaired as regards

other industries, the exception is made, however, in the case of the maritime industry as provided in this bill.

Now, it may be contended by some that labor's most effective weapon, the right to strike, will not be wholly taken away from us by these proposals. It is true that it is not being taken away from us directly, but it is being crippled to such an extent, through the process which will be involved in the mediation proposals, that its effectiveness would be completely destroyed.

Now, it may also be the opinion of some that these proposals do not constitute "compulsory arbitration or mediation." In regard to this I would like to quote for the record an extract from the statement submitted by Madam Perkins, the very capable Secretary of Labor, to the House Merchant Marine and Fisheries Committee during hearings on the bill H. R. 5193 at the last session of this present Congress.

The CHAIRMAN. Are you speaking of the Guffey Act?

Mr. EMERSON. It was also known as the Bland bill.

This bill was commonly known as the maritime labor bill and suggested that boards of mediation and arbitration be set up for the maritime industry similar to those proposed in the bill now before us. Madam Perkins' statement reads as follows [reading]:

I am also constrained to question the wisdom of establishing a fixed arbitra procedure looking forward to awards having the force and effect of law, for the reasons which I have already suggested, and in spite of the expressed provision of the bill that failure or refusal of either party to submit to arbitration shall not be construed as a violation of any legal obligation. I anticipate that public opinion would so crystallize about the idea of arbitration as virtually to compel the parties to accept it. Such a result is not at this time, at least, to be desired since harmonious industrial relations in an industry which is not sustained by a long tradition of open negotiation are largely dependent upon flexibility in methods of approach. Compulsory arbitration is at least a device for an industry which is ready for a mature labor policy; labor relations in shipping are still in their infancy.

It is curious to note also that the Maritime Commission, through its chairman, Mr. Joseph P. Kennedy, sent in a report on this bill in opposition to its passage and stated that in the opinion of the Commission that there were enough Government bodies functioning to handle all the problems affecting us. It seems that the Commission must have changed its views somewhat in the past few months, but for what specific reason we cannot determine. It is quite evident to everyone that better industrial relations now prevail between the employers and the employees in the maritime industry than those which were in existence when the Maritime Commission took this stand. At that time we had just emerged from a long strike period and industrial relations were chaotic, to say the least.

At the present time, however, we have already negotiated contracts with some 11 steamship companies and are in process of negotiation with several more. More negotiations will be carried on from time to time with other companies as soon as the elections, which are now taking place, have been completed under the jurisdiction of the National Labor Relations Board. Therefore in comparing the situation as it was at the time of the hearings on H. R. 5193 and as it now exists, we cannot see the reason for the change of policy in regard to this situation as is being expressed by the Maritime Commission.

We therefore are 100 percent opposed to that part of the bill, S. 3078, known as title X, at this time, as being not only superfluous, but also being detrimental to labor as a whole and we request that title X be stricken from the bill.

In lieu thereof, we would submit a new title X.

Both the Copeland and the Bland bills and the Guffey bill, S. 1710, purport to set up a complicated machinery for mediation and arbitration of labor disputes in the maritime industry. We are absolutely opposed to such legislation. The precedent that would be established under such legislation would be extremely dangerous for all organized labor throughout the country. Furthermore, such proposed legislation is now being used and will always be used by the shipowners as a pretext for not entering into collective bargaining agreements with the maritime unions. If such legislation were now dropped the unions would have an opportunity to press the shipowners to consummate the collective bargaining agreements that should have been consummated a long time ago. Under the National Labor Relations Act the National Maritime Union has been certified as the collective bargaining agency for practically every shipowning company in which an election has been held. Such collective bargaining agreements would establish the machinery for adjustment of disputes, including arbitration which would be binding upon both parties to the contract. We therefore see no need for any such mediation and arbitration legislation.

In order to avoid any misunderstanding, we believe it is necessary to add an amendment to the Merchant Marine Act of 1936, certain sections which would assure the continuance of jurisdiction in the National Labor Relations Board over employees in the maritime industry. To this end the amendments are suggested in regard to the Merchant Marine Act of 1936 pertaining to the National Labor Relations Board.

The CHAIRMAN. You are going to amend that act?

Mr. EMERSON. No, sir; we are amending the Merchant Marine Act. We are giving the Board more jurisdiction.

The CHAIRMAN. The National Labor Relations Board?

Mr. EMERSON. Yes. Our proposed new title 10 would read as follows:

SEC. 1001. Questions concerning the representation of employees of a maritime employer, including the Maritime Commission in regard to the ships owned by such Commission, shall be considered and determined by the National Labor Relations Board in accordance with the provisions of the National Labor Relations Act for the designation or selection of representatives for the purposes of collective bargaining. The National Labor Relations Board shall certify to the parties and to the maritime employer in writing the name or names of the individuals or organizations which have been so designated or selected. Upon receipt of such certification the maritime employer shall treat the representatives so certified as the representatives of such employees.

Nothing herein shall in any manner affect or be construed to limit the provisions of the National Labor Relations Act governing the prevention, under the provisions of the National Labor Relations Act, of the unfair labor practices set forth in section 8 thereof.

Nothing herein shall be construed to repeal or amend any provision of the National Labor Relations Act or to restrict the powers and duties conferred upon the National Labor Relations Board by said act.

SEC. 1002. Any shipowner filing an application for or receiving a construction or operating subsidy under the provisions of this Act, which is certified to the Maritime Commission by the National Labor Relations Board as not complying with the provisions of the National Labor Relations Act shall not be entitled to receive or continue to receive or to make any subsequent application for any construction or operating subsidy until it has been certified to the Maritime Commission by the National Labor Relations Board as complying with the provisions of the National Labor Relations Act.

SEC. 1003. If any provision of this title or application thereof to any person or circumstance is held invalid, the remainder of the title and the application of such provision to other persons or circumstances shall not be affected thereby.

Senator VANDENBERG. You have provided a penalty, and a very effective one, for the ship operator who violates the order of the National Labor Relations Board.

Mr. EMERSON. Yes, sir.

Senator VANDENBERG. Is there any penalty for a union which might fail to abide by the findings?

Mr. EMERSON. Sir?

Senator VANDENBERG. Is there any penalty for a union which might fail to abide by the findings?

Mr. EMERSON. Naturally, the unions are going to live up to the agreement, of course. We always have.

Senator VANDENBERG. They always have?

Mr. EMERSON. We are not the ones who break agreements.

The CHAIRMAN. You have never broken any agreements on the west coast?

Mr. EMERSON. The west coast representatives will have to answer for themselves regarding that.

Senator VANDENBERG. We have had many evidences of broken agreements under labor relations in the last 12 months.

Mr. EMERSON. Why do you wish to impose the penalty on the unions?

Senator VANDENBERG. I want to make it reciprocal.

Mr. EMERSON. In other words, you would like to have the unions incorporated?

Senator VANDENBERG. On the contrary, I have always said I did not go that far at all. That is just a fair sample of your dealing with my opinions.

Mr. EMERSON. No, sir. I understood that somebody, if not yourself, had stated in this committee that he would like to have unions incorporated.

Senator VANDENBERG. On the contrary, I said the opposite.

Mr. EMERSON. I beg your pardon. I did not mean to bring you into it. I never cite people as saying anything when they have not said so.

Senator VANDENBERG. But I am frank in telling you that I think the unions should be under some compulsion about living up to their agreements with the employers, and I am wondering how it could be done fairly. Could you make any suggestion?

Mr. EMERSON. I do not see why we have not taken on plenty of responsibility. I do not see where it is that we are breaking all these agreements, why this subject should be brought up.

It has been proved time and time again here in Washington in the Black investigation, in the Shipping Board scandal, and in the hearings held that it was not the seamen who were getting graft; it was the shipowners.

Senator VANDENBERG. Let us for the sake of argument admit that, but we are supposed to be writing a law which deals fairly with all concerned. We are not entitled to assume that one party to a contract is the only one who may break it. If it is broken by the union—I say again, if it is broken by the union—should there not be some responsibility upon the union for breaking it?

Mr. EMERSON. There should.

Senator VANDENBERG. What would be a reasonable provision?

Mr. EMERSON. A reasonable provision to be added there?

Senator VANDENBERG. Yes; to equalize the question of responsibility. You just agreed that if the union breaks an agreement, it ought to have some responsibility.

Mr. EMERSON. The union has no money involved here; these ship-owners are going to get the money from the Commission to operate the ships.

Senator VANDENBERG. I am not complaining about the responsibility placed upon an employer; I am referring to your statement that if the union breaks an agreement it should have some responsibility.

Mr. EMERSON. You cannot take our money away from us, because we haven't got anything. I am trying to think of what you could take.

Senator VANDENBERG. Suppose you think that over. I am serious.

Mr. EMERSON. No; you are right. I will think it over. It is a question that should be taken into consideration.

The CHAIRMAN. Are you through?

Mr. EMERSON. I have one more statement, a short statement. As I said before, I was sorry to see Senator Guffey's name attached to this. However, I am not going to attempt to analyze this proposed amendment in detail for the simple reason that it is simply a "dressed-up" edition of the maritime labor bill, H. R. 5193, upon which 205 pages of testimony were given before the House Merchant Marine Committee at hearings held at the last session of this present Congress. I think that maritime labor proved clearly after several days of hearings at that time that it did not want any part of this type of legislation and that it would be highly detrimental to the best interests of not only maritime labor but to the American labor movement as a whole.

It is peculiar to note that although the words "voluntary agreement and arbitration" are used on page 2 of this amendment, in an effort to lull labor into a false security, on page 27 the amendment reads as follows, lines 3 to 6:

The Maritime Commission may offer to create such a mediation board without request from either of the disputing parties at any time it shall determine that a labor emergency has arisen.

Although soft and subtle words are used in the formation of the language of this amendment, in order that it may be injected into the maritime industry, painlessly, nevertheless we realize fully that this bill is loaded with dynamite and we are going to face the facts squarely and call a spade a spade.

Senator VANDENBERG. This all relates to the Guffey bill?

Mr. EMERSON. Yes, sir.

This bill, regardless of its harmless appearance to the layman, is nothing more or less than compulsory mediation and arbitration wrapped up in a different kind of package.

It has always been my experience with bills of this type, and where many clauses are worded vaguely and where the words "shall" and "may" are generously interspersed, and other words that can be interpreted in various ways, that the minute such bills are enacted into law, rules and regulations are promulgated which destroy in many cases the original intent of such acts and give them an entirely different interpretation. Labor has been the sufferer and victim of such tactics

in the past. But today, labor is not being lulled into any false security—nor is it being lulled by soft words and vague promises. Labor is wide awake and intends to profit by its past mistakes and it also intends to protect those few gains that it has already made.

The wording of this bill is "tricky" to say the least. But being rather blunt, in our speech, and to make a long story short, we see just one thing facing us here—endless boards of mediation and arbitration, special boards created by the President, a form of dictatorship under the jurisdiction of the Maritime Commission, and finally the impairment of the jurisdiction and powers granted to the National Labor Relations Board. That is on page 12.

The CHAIRMAN. Mr. Emerson, do you think Mr. Guffey was dictated to by these large interests?

Mr. EMERSON. No, sir. As I stated before, it was my personal opinion that Senator Guffey, being a busy man, and thinking this was a good bill along general lines, did not take time to digest it. I am sure if he had the time to digest it, he would withdraw it.

The CHAIRMAN. He must have known of its origin and known who did the work on the bill.

Mr. EMERSON. I don't know; I couldn't say. You will have to ask Senator Guffey. However, I am surprised to see that Senator Guffey was in any way connected with it.

The CHAIRMAN. The bill as you read it is thoroughly in the interests of the rich shipowners; is that right?

Mr. EMERSON. You see, I have found from experience that even though a Senator's name is on a bill—your name is on a great many bills, and you are not responsible.

The CHAIRMAN. You do not hesitate to make me responsible. You know I did not write the "fink book" bill; Andrew Fureseth did that.

Mr. EMERSON. I could not swear who is responsible for it.

The CHAIRMAN. Do you not know that Andrew Fureseth for a generation tried to get that book?

Mr. EMERSON. Perhaps he thought at that time it was a good thing; I am sure today he would not; he was too honest.

The CHAIRMAN. He has testified within 2 years.

Mr. EMERSON. Andrew Fureseth when I last met him was going on the *Manhattan* to Geneva. He would have sane moments, and at other moments, he would not know whom he was talking to. That was 2 or 3 years ago.

The CHAIRMAN. Do you happen to know whether labor did want to have a continuous service book or not?

Mr. EMERSON. We have found out that they do not now.

The CHAIRMAN. Did they want it?

Mr. EMERSON. They did not want it.

The CHAIRMAN. In the past did they want it?

Mr. EMERSON. Labor was never really consulted. Mr. Fureseth was down here fighting a fight which he thought was best.

The CHAIRMAN. Mr. Fureseth was certainly in possession of his faculties 10 years ago.

Mr. EMERSON. No doubt at that time he thought it was best, but today before we do anything we consult with our membership. We just do not take it upon ourselves to come here and make a statement. This is all approved before we come here. That is the way a democratic organization should be run.

The CHAIRMAN. How does a man who wants information about your organization get it?

Mr. EMERSON. If you want any sort of information, we shall be glad to furnish it at any time.

If you are going to act impartially, you will have to take our opinion and the other side's opinion.

The CHAIRMAN. All right.

Mr. EMERSON. Now, while it is true that in a few isolated cases, exception has been taken by organized labor to a few of the rulings and decisions handed down by the N. L. R. B., as a whole we have to give credit where credit is due, and speaking for myself, and in so doing I know fully that I speak for a great majority of the organized workers of this country, I would like to make it clear for the record, that I consider the National Labor Relations Board created by the Wagner Act the greatest aid that the laboring classes have had in this country. And the laboring classes constitute the vast majority of our population, whether organized or unorganized, so therefore a law that is a benefit to the majority must necessarily be a good law and a just one.

This being so, we therefore look with suspicion and absolute distrust upon such a proposal as is made here by this amendment, that any other agency infringe in any way upon our rights as guaranteed us by the Wagner Act through the machinery set up by the N. L. R. B. We are happy and content with this machinery.

Now, Mr. Curran pointed out very clearly in his testimony that under the new agreements being reached between the National Maritime Union and the steamship operators, clauses are included which require that "port committees" composed of both representatives of the ships operators and representatives of the union and a third impartial party, shall function for the settling of all disputes. Also in those agreements it is stated that while such "port committees" are settling these disputes, there shall be no stoppage of work, lockouts or strikes. Now with the N. L. R. B. holding elections at present, and with certification of the proper collective bargaining agencies following these elections, and with contracts being signed which include these clauses for the settling of disputes between the certified agencies for the employees and the employers, why do the representatives of certain selfish interests wish to interject all this additional proposed legislation into this picture—and which would entail the appropriation of large sums of taxpayers' money?

There is only one answer—it has been the same answer for generations—it is the greedy, selfish desire of a few large industrialists for more profits at the expense of a class of already over-exploited workers.

We have proved clearly, I think, that we now have a set-up working that will take care of all our industrial problems; that being the case I would like to be shown one good valid reason why we should not be allowed to continue with that set-up as long as it continues to be successful.

There is just one more point in this proposed amendment that I would like to comment on briefly, page 44, title V, section 501.

The CHAIRMAN. In the Guffey bill?

Mr. EMERSON. Yes, sir. If this amendment had been written in Italian it would sound here as though Mussolini were giving his "slaves" a Christmas present. The generosity of the sponsors of this amendment

in including such a clause is indeed amazing. Just imagine: We don't have to work if we do not want to. Now I am going to give a tip to those persons or individuals who burn the midnight oil in formulating legislation that is detrimental to organized labor—change your methods and formulate legislation that is practical and omit “throwing crumbs to us,” for labor is now working along 1937 streamlined methods and you must adapt yourselves accordingly. If you will do this you will find that labor will be the first group to cooperate with you for the advancement of American ideals and principles and for the welfare of the American people as a whole.

In conclusion, Mr. Chairman, and the honorable ladies and gentlemen of this committee, and in the name of the maritime unions, whom I represent, I wish to go on record as being unqualifiedly opposed to this amendment.

Senator VANDENBERG. I want to ask one further question about the Black Diamond contract.

Mr. EMERSON. Yes.

Senator VANDENBERG. As I understand you, you agree that the master must be in complete control of his ship at sea?

Mr. EMERSON. That is right; yes, sir.

Senator VANDENBERG. Is there anything in the Black Diamond agreement which clearly covers that fact?

Mr. EMERSON. In the Black Diamond agreement? Well, it says there shall be no stoppages of work or interruption of commerce during the period of operation. It is in the first section, on page 2.

Senator VANDENBERG. That is after the issue has been joined. Is there anything which clearly makes it impossible to have stoppage of work or other revolt at sea?

Mr. EMERSON. Well, I don't think revolt at sea has been contemplated, but there is evidently something in there to that effect. I have not read the thing in full; I have not had time, Senator.

The CHAIRMAN. Do you think it is necessary to have these committees on the ships?

Mr. EMERSON. I think it is a good thing; yes, sir.

The CHAIRMAN. Is it necessary, or is it an essential thing?

Mr. EMERSON. It is essential from the union standpoint, from the fact that there is somebody there who can coordinate the work, everything necessary—repairs and changes—the commanding officer, and things of that kind, and they can be a help and not a hindrance.

The CHAIRMAN. Don't you do a little more than that? Don't you try a man for disobedience of union rules and fine him?

Mr. EMERSON. Yes, sir; absolutely.

The CHAIRMAN. If a man should be asked to wipe off a window of the pilot house on Sunday, would he do it?

Mr. EMERSON. You would not have to ask a good sailor that; he would do it, anyway, to have clear vision.

The CHAIRMAN. That is good; I am glad to hear that. We have had testimony to the effect that such a man was asked to wipe off the office window, and he did not do it. He said that if he did it he would be fined by the committee.

Mr. EMERSON. I never heard of any such thing.

The CHAIRMAN. You will hear of it.

Mr. EMERSON. Well, we have had some legitimate testimony at times. We have seen damaging lies and propaganda disseminated in the last few months, and we would really like to have an opportunity to find out where it comes from.

The CHAIRMAN. If you heard that a sailor had given information to this committee, what would you do to him if you knew his name?

Mr. EMERSON. Make him prove it.

The CHAIRMAN. If he did not prove it to your satisfaction, what would you do to him?

Mr. EMERSON. What could we do to him? Through the law we cannot do anything.

The CHAIRMAN. What would you do to him through your union?

Mr. EMERSON. If it was proved he made untrue statements?

The CHAIRMAN. Yes.

Mr. EMERSON. If I had anything to do with it, he would be expelled as a menace to organized labor.

The CHAIRMAN. You would have a good deal to do with it?

Mr. EMERSON. I would not in my personal capacity here, but that is my personal feelings. Any man who makes a false statement in other cases would be subject to a law, but here we can't get away with it.

The CHAIRMAN. Suppose you knew of an incident in which a sailor had been ordered by the master to wash a window on a Sunday so that the man at the wheel might see, and the sailor would not do it. When it was followed up it was found that he did not do it because the union board would take care of him.

Mr. EMERSON. I never heard of any specific incident like that and sometimes I would like to get more details of them.

The CHAIRMAN. It is not conceivable, is it, that your union could do anything that is wrong?

Mr. EMERSON. Yes, sir; it is, but in that case that would be very stupid. Suppose it would be in the pilot house and the windows were frosted or foggy. It is for their own safety to see that those windows are kept clear.

The CHAIRMAN. Have you finished with your statement?

Mr. EMERSON. Yes, sir.

The CHAIRMAN. We are going to recess for an hour.

Mr. Whalen, how much time to you want?

Mr. WHALEN. I have no way to tell, Senator; it is according to how many questions you ask. It is up to the committee.

The CHAIRMAN. An hour, perhaps?

Mr. WHALEN. Oh, it will be longer than an hour, I am sure of that; maybe 3 hours.

The CHAIRMAN. What about Mr. Oliver? Is he here?

Mr. EMERSON. He was here; he has evidently just stepped out.

The CHAIRMAN. Is Mr. Joseph Smith here?

Mr. SMITH. Yes, sir.

The CHAIRMAN. How much time do you want?

Mr. SMITH. Oh, probably an hour.

The CHAIRMAN. The committee will stand recessed until quarter after 2.

(At 1:20 p. m. a recess was taken until 2:15 p. m. of this date.)

AFTERNOON SESSION

The hearing was resumed at the expiration of the recess, at 2:15 p. m.

The CHAIRMAN. Mr. Whalen, are you ready to proceed?

Mr. WHALEN. Yes, Mr. Chairman.

STATEMENT OF PATRICK WHALEN, PORT CHAIRMAN, PORT OF BALTIMORE, FOR THE NATIONAL MARITIME UNION; ALSO REPRESENTING THE MARYLAND-DISTRICT OF COLUMBIA INDUSTRIAL UNION

The CHAIRMAN. Mr. Whalen, will you give your full name and your background for the record?

Mr. WHALEN. I am port chairman, port of Baltimore, for the National Maritime Union, and I also have a letter from the Maryland-District of Columbia Industrial Union Council, which states that I am hereby authorized to represent the Maryland-District of Columbia Industrial Union, with a membership of about 80,000, before the House and Senate in this matter of vital interest to the workers in the maritime industry. The council is composed of workers from all types of industry and is full in agreement with the position taken by the National Maritime Union in its opposition to the amendments now pending; that they are of the opinion that this legislation would have the effect of blocking the rapid progress of unionization now going on in that industry; that they feel confident that those employers and public officials who are generally interested in arbitration will find our arbitration procedure most satisfactory; that a great danger, in their opinion, lurks in the bill, owing to the principle, even though it be restricted at this time, that employers may at their convenience call upon the National Labor Relations Board to order an election.

The CHAIRMAN. I assume that you are familiar with what Mr. Emerson testified this morning and what Mr. Curran testified. You endorse all that. Have you new material, however? We know what your attitude is on this particular matter. You have made it very clear that you oppose the labor relations section of the bill, and have pointed out to us what you have in your contracts and have impressed the committee with the thought that perhaps you have a solution of the problem here. If you have other matters to complain of with reference to the bill, perhaps you had better confine yourself to that.

Mr. WHALEN. I am speaking now not only for the maritime workers, but I am speaking, as I say, for the workers in the District of Columbia as well as in the State of Maryland, particularly in behalf of the seamen against this bill in its entirety.

The CHAIRMAN. You mean you do not want the bill at all?

Mr. WHALEN. The bill as it stands; no.

The CHAIRMAN. But you heard the amendments suggested this morning by Mr. Emerson. With those amendments, would the bill be satisfactory to you?

Mr. WHALEN. With the amendments as presented; yes. But I believe that you will understand my position when I make my statement with reference to the bill.

The part of the bill that we are opposing is this mediation provision, and I am going to try to present to the committee why we are against it, basing our theory upon the past in the labor movement. I have some statements here bearing upon the facts in the past.

The CHAIRMAN. Go ahead in your own way. I was trying to save your energy and ours. If you are merely going to repeat what we have already had there is no use in that. But if you want to do it, go ahead.

Mr. WHELAN. In May 1937 a bill was being considered by the House Committee on Merchant Marine and Fisheries with reference to maritime labor. That bill sought to impose upon maritime workers Government machinery for the arbitration of labor disputes, and sought primarily to paralyze the right of organized seamen to strike. That bill came just subsequent to the late winter maritime strike of 1936. The American seamen fought to improve the disgraceful condition under which they worked and to increase their low wages.

The seamen's wage had not kept pace with wages in other industry and were proportionately far behind, as is true even today.

I have here a pamphlet from the Department of Labor that I would like to submit to you, Mr. Chairman, and I just want to draw attention to the fact that I heard the Senator from New York ask Emerson this morning if our wages were above those of seamen in other countries. We are not so much interested in wages in other countries at this time. We are interested in what the wages in the American labor movement are. The largest bracket in monthly rates is under \$45 a month for seamen aboard ships today. There are more seamen working under \$45 a month than in all the other brackets put together.

The CHAIRMAN. How much do the A. B.'s get?

Mr. WHELAN. Today, \$72.50. I am speaking now, Senator, of just before our last strike. I think this will come out later on.

At the same time the seamen sought to overthrow the yoke of reactionary, unscrupulous leaders who were proved to be in the pay of shipowners and who attempted to subjugate the will of the rank-and-file membership. We seamen were successful in attaining both objectives to some degree.

In March 1937 a new seamen's labor union came into being representing a solid front and made up of the rank and file of American seamen on the east and Gulf coasts. The ship operators found that they had to make concessions to American seamen with respect to improved quarters on the ships and with respect to payment of overtime and better wages and to provide good food. The operators could no longer buy and sell. The representatives of the American seamen, to attain their ends, came here to Congress to do by legislation what they could not do by reprehensible tactics used in the past. Today American seamen protest against working on ships which are unseaworthy, which supply bad food, and which are vermin-ridden. Today American seamen receive overtime for working long hours. All of this has cut into the profits of the ship operator, and he is greatly annoyed.

The bill introduced last May was withdrawn. Its vicious purpose to strangle the seamen's right to strike was too apparent.

The CHAIRMAN. What bill was that? Was that the Guffey bill?

Mr. WHELAN. That was H. R. 5193.

The CHAIRMAN. That is identical with the Guffey bill; is it not?

Mr. WHALEN. Yes; pretty near it, Senator.

The CHAIRMAN. Were those bills prepared by the operators?

Mr. WHALEN. In my opinion the operators' attorneys drew up those bill, because there are following bills that Ira Campbell and other large attorneys for the shipowners drew up in the past, and we are convinced that they had their fingers in drawing up this bill.

The CHAIRMAN. Does Senator Guffey think that?

Mr. WHALEN. I don't know. I have no way of telling what Senator Guffey thought.

The CHAIRMAN. You would hardly expect him to be guilty of that, would you?

Mr. WHALEN. I have no thought on the matter at all; I don't know. I don't know Senator Guffey. I have never talked to him, and I do not know what he knows about the bill, if he knows anything. I was just in the gallery listening to the proceedings on the Senate floor, where they are fighting on a bill there, and a gentleman on the floor said that the other day someone asked how many men had read a certain bill, and out of the great mass of Senators present only three raised their hands. We are trying to show our side of the story and why this bill should not be enacted into law.

The CHAIRMAN. Neither one of those bills was ever before this committee, was it?

Mr. WHALEN. I do not believe so, Senator. I think we were successful in killing that bill in the committee on Merchant Marine and Fisheries of the House.

The bill introduced last May was withdrawn. Its vicious purpose to strangle the seamen's right to strike was too apparent. Labor's voice for fair treatment was heeded, then. Now, in January 1938, we are faced with a similar bill. This bill purports to set up Government machinery for compulsory mediation and arbitration of labor disputes affecting seamen, longshoremen, and other workers in any way connected with maritime commerce. It comes apparently at the suggestion of the Maritime Commission, itself an employer. The Maritime Commission owns and operates a number of vessels. This bill comes at a time also when attacks have been made upon American seamen with reference to discipline, all of which I wish to go into because it is only human to be carried away by such groundless accusations. But first I would like to analyze the merits of the proposed legislation.

It is a matter of record and a well-founded fact in the history of American labor that peace between employee's organizations and the employers in any particular industry comes when the employees are solidly organized. This effects stabilization and order in labor relationships between employer and employee. There is rapidly approaching the time when maritime employees will be nationally organized and shipowners will recognize this organization. And when they recognize this solid, industrial body, the same apparatus will be set up between the American Steamship Owners' Association and the seamen that was set up between the employers and the strongest industrial union that has ever been in the United States. I refer to the employer-employee joint-board relation which has been in existence for a good many years between the employers and the International Ladies' Garment Workers' Union. This has eliminated

any great tie-up in that industry for a great number of years; whereas, before this apparatus was set up, the clothing industry was in a perpetual turmoil.

I will hand you a pamphlet issued by the International Ladies' Garment Workers' Union educational department entitled "Structure and Functioning." What we have in our apparatus is practically drawn from the same.

The CHAIRMAN. You mean, the contract which you have?

Mr. WHALEN. Yes, sir.

The CHAIRMAN. Your standard contract?

Mr. WHALEN. That is right. I refer you to pages 18, 19, and 20 of the National Labor Relations Board Bulletin for 1936.

American seamen, through the National Maritime Union, are sincerely interested in preventing unnecessary tie-ups in the maritime industry. To this end we have already incorporated in many agreements with ship operators a mediation and arbitration clause in the event of labor disputes. Eleven steamship lines have already signed such agreements with us to date.

I do not need to read the clause, because it has been read already this morning, and you have it on record. But it does show—and I might as well go into this now—why we are absolutely against any act that will force us to mediate. First of all, the time limit. There is no limit to the time that can be dragged out to settle a dispute under the set-up. In our set-up we give them 72 hours to come to an agreement, which means that regardless of how important the issue is the men know that there is going to be a settlement one way or the other in a reasonable length of time; and I will show you evidence here that under the Railroad Labor Act for 6 or 7 years men have been held up because the railroad companies have refused to accept any of the legislation that has been enacted and in good faith put into force, thinking that people would follow it out. Labor has followed it out. Big business never has. So there is no reason to believe that the shipowners will do any more than the railroad companies have done in the past in living up to such acts. What will they do? The same as they did in the railroads. They will turn down the decisions of the Board and take them into court.

Senator VANDENBERG. Is that your only objection?

Mr. WHALEN. No, sir; that is not the only objection. The objection is that a majority of the whole Board will be against the people involved, or the representatives involved—the unions.

The bill, in several places—speaking from the standpoint of the Railroad Act, now—provides that the Commission has the right even to appoint a neutral arbitrator. Now, if everybody understands the Maritime Commission and the people that are on the Maritime Commission, I am certainly sure that no one by the greatest stretch of imagination could expect the Maritime Commission to appoint a neutral person to settle any dispute.

The CHAIRMAN. You are going to have an arbitration society do it under the bill?

Mr. WHALEN. That is right, Senator.

Further, if you enact this bill into law you do not change the law as quickly as time changes. I understand from lawyers that it would take a man from now, if he was born today, until he died, and then he would never, reading at a terrific rate of speed, be able to go over

the laws in this country. It is shown by the *Algic* case that laws do not change as time progresses; whereas, if we have an agreement that the shipowner and the company would sit down in a civilized, intelligent way and go over our difficulties, there is no reason to believe that even this method of settling labor disputes will not be improved. But time goes on, and where you have a law you certainly have got a dogma set up that cannot be changed.

The past has proven that they do not change laws as time goes on until enough force is exerted on the right people to change these laws; and sometimes they are not changed then. Another law is made, and these laws remain for a while, and then it is dug up after 140 or 150 years to be again used. That is why I say it is not healthy for the labor movement at all. It is not healthy for progress to enact any such bill that will tell people "You must do this" or "You must do that", when they are dealing with a force that I think anybody will agree is of dynamic character between capital and labor. It has always been, it is, and I believe it always will be a contest between the people that have everything and the people that have nothing; and they are all trying to get it.

How can such delays be maneuvered by the employer? The act sets up waiting periods before the employees can strike. These waiting periods can take as long as 7 months and frequently as long as 2 or 3 years. As evidence of this, let us consider the operation of the Railway Labor Act. I wish to read from the report of the proceedings of the Fifty-sixth Annual Convention of the American Federation of Labor held at Tampa, Fla., from November 16 to 27, inclusive, 1936. Speaking of the national coordination agreement, this report goes along and shows where different railroad companies had refused to follow out the law in the face of the Board's decision, after they had agreed, in the first place, to follow the decisions, and when the decision happened to be against the railroad companies they took the matter into court. The Rock Island Railroad kept the International Association of Machinists and also the International Brotherhood of Stationary Firemen and Oilers for 5 years in perpetual court action. It broke them financially, demoralized the union entirely, and consequently the workers themselves were the ones to suffer.

The shipowners and the railroad companies have the money to buy these high-priced lawyers that are always waiting and watching for little loopholes to bear down on labor, and they have always done it in the past and there is no reason to believe that they are going to change. [Reading:]

As previously reported, the Federated Mechanical Trades have become involved in several suits involving the constitutionality of the Railway Labor Act as amended, growing out of efforts to establish representation under that law. Most of these suits have been instituted by company unions in a desperate but futile effort to postpone their demise——

The CHAIRMAN. Mr. Whalen, there are only a few members of the committee present, and we are making a record. Can you not put this argument into the record without reading it? We will put it in as if you had completed its reading, and when reference is made to it we will have the full argument. Personally, I know exactly how you feel about it. You are opposed to the plan. It has been well stated to us by your colleague, and it is only a repetition to tell us over again.

Mr. WHALEN. I do not believe it is, entirely, Senator, because I am going to get into some facts that I do not believe any of these people that have been here before have presented.

The CHAIRMAN. Why do we not concede for the moment that those are the facts, and put it in the record?

Mr. WHALEN. Because there are things that I would like to clarify here.

The CHAIRMAN. Go ahead.

Mr. WHALEN. Here is what I spoke of a moment ago. I know that if any such legislation as this goes into effect, the steamship owners are going to do exactly what the Rock Island Railroad did. The company union brought two suits in the United States District Court for the District of Kansas, one attacking the constitutionality of the Railway Labor Act with respect to the provision prohibiting the check-off, and the other to prevent enforcement of the certification of the National Mediation Board designation of the International Brotherhood of Firemen and Oilers as the duly elected representative of the power-plant employees and shop laborers. Temporary injunctions were granted in both instances.

While no action has as yet been forthcoming with respect to the representation case of the Firemen and Oilers, Judge D. J. Hopkins, on March 27, 1936, rendered a decision in the check-off case in which he upheld the constitutionality of the Railway Labor Act and dismissed the company union's bill of complaint, but granted them 90 days in which to perfect an appeal to the United States Circuit Court of Appeals.

Unfortunately, these cases have been subjected to numerous and apparently unnecessary delays. It is hoped, however, that an early disposition of them will be made.

The Atlantic Coast Line Railroad, because of its open preference for the company union, has caused considerable controversy and has greatly prolonged the effort of the railway employees' department and its affiliated organizations to secure recognition and an agreement by apparently cooperating with its company union in instituting long and tedious litigation.

Before the mediators could proceed, however, the company union filed a petition in the Supreme Court of the District of Columbia on March 12, 1935, praying for an injunction to restrain the board from holding another election and to certify the representatives shown to have been elected by the mediators' report. The carrier and the railway employees' department were made party defendants, and it was prayed further that the company be compelled to deal with the company union, and that the department be restrained from interfering with this relationship.

Now, gentlemen, there is a very clear example of what can happen if the mediation board, provided for in this bill, is put into effect. The shipowners, we will say, happen to stumble on it and find that they are hooked. Then they will take the proceedings to the Supreme Court, and labor, with its limited amount of finances, will be thrown over into the corner to wait until the shipowners' lawyers get through juggling this litigation down through the long process of court actions, and by the time they get it to the Supreme Court, then of course they will expect the union to be so destroyed that there will not be any

necessity for this act. Then they will put the company unions in and this thing will protect the company unions.

I heard the senior Senator from New York this morning pass a remark, and I saw our old friend Scherrenberg over there smile when asked if a board in the past was for or against such union.

I would like to read what Sam Gompers said, back in 1916, referring to the same type of legislation that the railroad barons were trying to enact into law at that time [reading]:

I understand the purpose of the bill is that if enacted into law the men will be stayed from acting in concert until the Commission has made its investigation. But in the meantime concerted action to stop work is unlawful and punishable. In other words, an American citizen, American workers, have the right not to be compelled to work against their will. Involuntary service cannot be enforced under the Constitution of the United States, and yet, when 5, 10, 500, or 5,000 propose to exercise their constitutionally guaranteed right to do a thing, it is made unlawful, and they are compelled to give involuntary service.

That is what Sam Gompers said on August 31, 1916.

Here is what Peter J. Brady, secretary of the Allied Printing Trade Council, said, before the Academy of Political Science in January 1917 [reading]:

It if came to me as an international officer of a union to recommend to the membership of our organization in Colorado as to whether they would continue employment until an investigation had been made by the State officials, thereby giving the employers an opportunity to recruit new forces to fill their positions, I should not hesitate one moment in saying, "Strike and strike immediately; and we will then take up the question of any law which takes away from you your rights as free men." That, frankly, is our position on the matter. A strike held up becomes as futile as a charge held up on a field of battle.

I could go on and relate similar court proceedings brought by every big railroad we have in the United States under the Railway Labor Act, ever since 1926, when the Union Pacific, the Southern Pacific and others jammed the unions into court proceedings on every occasion possible when matters were taken up for mediation.

Furthermore, it should be brought to your attention that the Railway Labor Act and its predecessors have been far from satisfactory to the employees of the railway industry. The act does nothing to disestablish a company union. It has a tendency to protect unions sustained and created by the employer for the employer's benefit. Witness this in 1922: Eighteen thousand men were decasualized from the railroad industry for union activities and have never been reinstated. I am one of those men. The Railway Labor Act does not contain the provision of the Wagner Labor Act compelling the reinstatement of employees discharged for union activities. The Railway Labor Act does not empower the Railway Board to order payment of back wages lost as a result of union discrimination. The Wagner Act, however, does.

The seamen are perfectly content with the Government apparatus already set up and feel that it is sufficiently adequate to permit them to work for the improvement of their conditions and to facilitate the free flow of commerce. The Wagner Act has effectively removed the source of many strikes. We abide by the Wagner Act and the decisions of its board.

Mr. J. Warren Madden, Chairman of the National Labor Relations Board, testified before this committee and stated that we abide by the elections conducted by that Board for the determination of collective bargaining units, which has been the greatest source of labor disputes in the past.

I am convinced that no government or law that may be set up is going to remedy the conditions that exist in the maritime industry today. And I am going to give you my reasons why I believe this.

There are two points involved in all strikes, two distinct issues. On one or both every strike is based. One is the strike for arbitrary reasons; the other is the strike for the matter of principle. I wish to define what I mean.

Strikes arising over substantive terms, such as wages, hours, and other conditions of employment, can be adjusted or prevented by conference procedure between the representatives of both parties.

Strikes in which the right to organize for collective bargaining is a major issue are, however, more difficult to adjust by conference or mediation.

I will clarify myself more. If you have a dispute over wages and a dispute as to what hours shall be worked, and things like that, there is no absolute testimony that you are entitled to 8 hours or 7 hours for \$25 a week or \$30 a week. These are questions that people are willing to compromise on, and can compromise on; and if it goes to an impartial third party it is a question that they can settle in the light of comparable circumstances. So ordinarily it is said that these questions are arbitrable. But when the question comes up, Shall I have the right to join a labor organization without interference by my employers?—or Shall I have the right to bargain collectively with my employers? or Shall the employer have the right to determine conditions without interference by its employees?—while that is a question that is ordinarily called not arbitrative, because one side says, "While that is a matter of principle, if I recognize the union I will be letting them run my business"; and the union says, "If we let the employer lay down the terms, then we have nothing to say as to what we will get for our labor."

These questions are questions of principle.

That is just exactly the trouble in the maritime industry today. Shipowners do not want a strong union. They are using this means, especially in the last year, to discredit the union, bringing in these premeditated statements, sending these people on board ship to write these statements up, putting spies in our unions to see what they can discover, and making such a big holler over a ridiculous situation, like on the *Hoover* and like on the *Black Falcon*. The master and the whole crew were coming up here, but unfortunately they could not get here, so they sent this one man, Mr. Irwin, on that ship. I went there and talked to the master. Individually I talked to the whole crew as to the situation in the ship, to show how foolish it was to even consider anything in Mr. Irwin's letters that he had signed on the ship. All you have to do is to write to Antwerp, to the tribunal over there that controls such things. They will find out. There was a report of barrels thrown overboard. It was reported both in Antwerp and Rotterdam to the courts to take care of this situation.

In time of trouble at sea sometimes not only the deck cargo is thrown overboard, but the whole cargo of the ship is thrown overboard to save the ship and the lives aboard.

The CHAIRMAN. That was not the serious charge. The serious charge was regarding the disorder on the ship and the treatment of passengers.

Mr. WHALEN. That is on the records in New York, because they had an investigation when the ship came back from that trip. Mr.

Daly, United States shipping commissioner, with the help of, I believe, the boiler inspectors who went there and investigated this matter, gave them a clean and clear bill of health.

The CHAIRMAN. Are you quite sure that Mr. Daly did that?

Mr. WHALEN. Yes, sir; I am positive of it. He had an investigation when the ship arrived back.

I want to read from a letter from the chief officer of the steamship *Black Falcon*, in Antwerp, on December 18, 1937 [reading]:

In reference to Mr. Irwin's letter of December 3, 1937, we deny all those absurd and slanderous statements. All that was done during heavy weather was done for the safety of life and property at sea, in a seamanlike manner. We do not deem it just that a man of Mr. Irwin's apparent experience should be allowed to criticize or judge our actions.

As one can readily see by the ship's log book, the vessel encountered very heavy weather, shipping seas.

The writer of the letter criticizes Mr. Irwin for trying to find fault with the personnel who were more in trouble than he, but who, because of many similar experiences, did not complain. This gentleman wanted service that he could only get on a modern liner, which is impossible to get on a freighter of this type.

The cook did get drunk. He got drunk drinking with Mr. Irwin, according to the information of the chief steward and members of the crew. The steward upon one occasion was compelled to ask Mr. Irwin to refrain from drinking with the cook. After plying the cook with drinks he attempted to get special service and complained when the cook could not serve his eggs to order, as the vessel was rolling so violently at the time. All, including the master, ate boiled eggs, which was only good sense, due to the weather.

The cook did not use abusive language to the master. He was soon put in his place by the master and reprimanded by the crew. He was discharged immediately upon arrival at the first American port, Boston.

He states that he does not think the cook served the crew any beer, because they were not friendly with him. He says that the second mate was a young man from the New York nautical school whose reputation and character are above reproach; that the third mate has been in the employ for years; that he ordered some passengers from the navigation bridge, because it is unlawful to allow them there. On this occasion it was for their own comfort and protection.

Here is what happened at that time. They had "abouted ship." They had changed the course to put her into the wind —

The CHAIRMAN (interposing). Mr. Whalen, if you want to go into all that, go ahead; but we have had all that. Mr. Emerson went into it this morning. We have had all that discussion. It is already in the record. If you want to put more in, go ahead; but why take our time and yours to go over that same matter? That is merely one single instance.

Mr. WHALEN. But, Senator, the newspapers have played up this single instance to the public in this country. They have played the Hoover incident up. That is why I would like to put it into the record. I want to tell the truth here; and Mr. Emerson has not contacted the crew and the master, from whom I got this information. I would like to put it into the record.

Senator VANDENBERG. Have you any information on the Hoover?

Mr. WHALEN. There is a man flying back here with that information, but unfortunately he is not here as yet.

Senator VANDENBERG. You have no information on it?

Mr. WHALEN. No, sir. I have some affidavits. I am not going to submit them, though.

To return to this matter, they were in extremely heavy weather and they had 260-odd barrels on the forward deck. They were wooden barrels. The ship was shipping blue seas—that means, not just the spray, but the full sea was coming aboard and it broke the lashings on these barrels and they went flying around, knocking the dogs off the water-tight doors and hammering the hatches and tearing the tarpaulin that let the water go through. There are six tarpaulins on one of these hatches, to protect the cargo from the water going through. These barrels would rise up and slam down on them. The men couldn't go forward at that time, so they brought the ship about and put her into the wind, which cooled her down and made her ride more easy so that the men could go down there.

Then this bunch of barrels broke loose, which they threw overboard. The next morning, again, in the 8 to 12 watch, they did the same thing; and Mr. Irwin, with another young man, went forward on the fore-castle head, while she was still into the wind, and he got into an argument with the first mate because they were throwing this cargo overboard. When all this deck cargo was thrown over, he brought the ship around again on her course, and she started taking seas all over again.

The second mate was on watch. The first mate was lashing the deck cargo, and the second mate was told by the master to remove all the men off this fore-castle head, as obviously they would have been washed overboard, because 20 minutes afterward she started taking seas all over her. He resented it and went up on the bridge and got into a pretty heavy argument, I understand, and that is when he was ordered down off the bridge.

I happen to be an officer. Nobody is allowed on the navigating bridge at any time, especially in bad weather. Only the men that have duties up there, when the master of the vessel calls them up there. Because Mr. Irwin a little argument with one of the officers, which any man is apt to do, he just bears down on the seamen themselves. I do not believe the seamen ever had anything to do with him. I couldn't find a man that had spoken to Mr. Irwin on the ship or had any conversation at all. He would call the stewards to come in, and he used to do down, on the first part of the trip, in the crew's mess room and stay there. In his letter he complains that he could not get waited on in his own quarters, which is wrong.

I just wanted to bring that out. We are convinced that this propaganda is being circulated by the ship owners for only one reason, and that reason is that the ship owners are determined, one way or another, to curtail the seamen; and if they could have any control at all of us, they would put us back where we were 8 or 10 years ago.

The CHAIRMAN. Have they any incentive to do that on subsidized ships? They have no incentive now, have they?

Mr. WHALEN. No.

The CHAIRMAN. That was one of the great arguments used in favor of this subsidy, because it was going to give labor its chance; there was not going to be any excuse to "bear down" on the men.

Mr. WHALEN. Let us see, Senator. Maybe I can speak my theory on this.

When I came back after the war and went back into private life I was an engineer. I am a marine engineer. I was sailing on the Munson line. We were getting \$226 a month for first assistant; \$195 for second assistant. Men were getting \$95 a month for jamming checks; that is, tending water. This was on Government ships, the big 535's that the Munson had to send the American Legion across. It was that type of vessel. But we find that the Government in subsidizing these ships also own them. The Munson line never paid for the ships. They have not today; and 5 years after that or 7 years after that a second assistant is making \$110 a month on the same ship and the water tender is making \$45 a month.

There are two reasons for that. After the 1921 strike the shipowners, with the help of certain unscrupulous people at the head of the Shipping Board, who were driven by the Black investigating committee, were there with the interest of the shipowners at heart. That has been proven. They also used the Shipping Board to destroy our union, to destroy the International Seamen's Union. It only took 5 years to put the seamen back over 35 years, because in that 5 years backward movement we lost what we had gained over 35 years.

That is one of the worst conditions that ever existed on American ships, because it was more or less of an unwritten law that a man would not work after sundown and would not be put to work before sun-up. But on these ships, the Dollar ships, and all the Government-subsidized and owned ships, such as the United States Line, I have worked 22 hours often in 1 day as a machinist. There are men in this room who know when I was a machinist down there, and I never got through without producing 16 hours in the machine shop.

The CHAIRMAN. Just a moment. You are speaking now about the time when we were paying a subsidy through mail contracts?

Mr. WHALEN. That is right.

The CHAIRMAN. And when certain of these lines, the ones you have mentioned, were criticised because, instead of using the money to pay the seamen, they would go to hotels, and so forth? You are familiar with all that?

Mr. WHALEN. Yes.

The CHAIRMAN. Under the 1936 act there can be no possible incentive on the part of the operator of a ship line to grind down his men in wages, because out of the Treasury of the United States comes that added cost of operating up to the American standard. I think you are entirely right about the old times; I have no dispute with you about that. But the 1936 act changed that picture, and if we can operate under it with some reasonable degree of contentment, with the organization of the unions, and all that sort of thing, and better conditions, the determination to improve the quarters and living conditions and the comfort of the men, and to give them better food, you are not going to have those evils unless this law is wiped out. You can never go back to the old evils.

Mr. WHALEN. Senator, as long as I have been connected with labor—and that is pretty near ever since I have been born—I have watched labor rates in this country. The history of the American labor movement is wonderful to read about, because it points to the fact that we rise with good times, and then we fall. Why? Because the methods used by the shipowners and others are ready at any time to crush labor; and although you state that the money is coming from the Treasury to pay the wages, and the like of that, that

does not guarantee that the shipowners are not going to use this for their high salaries and the like of that, and push labor back.

Ever since the Maritime Commission was created and Mr. Kennedy was put at the head of it, I have been dealing directly with them over five of their biggest companies, and I know that if it were not for the fact that the union men on these ships are conscientious and are getting acquainted and getting educated in the laws of the land, and acquainted with their rights, the company would put them back, would put bum food on them. It was through the National Maritime Union that we have brought it to the attention of the Commission that the company was robbing them by getting bills for a hundred dollars' worth of food and actually getting \$50 worth of food. We are the ones who brought that to the attention of the Commission, and we are the ones that still watch it to see that the United States Government gets a fair break.

Another thing I would like to point out to the Senator is that we kept a sit-down for 3 days when they put a life-boat in that had no bottom in it.

These things are a matter of record. I say that the ship owners do not want intelligent seamen aboard, because they show up their habits and their weaknesses in grabbing every dime that they can a hold of. They do not care who suffers by robbing the Government. I do not believe these people worry about the Government. From the time you have been subsidizing ships under the American flag shipowners have been robbing the Government. That was when they subsidized the old sailing ship, the old *Washington*—

The CHAIRMAN (interposing). That is like ox-tail soup: It is a long way back. Talk about conditions as they are today. You have the act of 1936. It was a long time before the Commission was appointed, but it finally was appointed, and will give us definite instructions about wage scales, manning, and so forth. You have the legal power to see that your rates are maintained. You have your union; you have delegates on these ships. You are talking about ancient history now. We admit all that.

Mr. WHALEN. But the time has not changed. We are connected directly with ancient history, because the same things are happening today. The shipowner says that he cannot operate ships because there is drunkenness aboard ships, so consequently we must have new legislation. I would like permission to ask a question. Why is this legislation being put in, then, if what the Senator says is a fact?

The CHAIRMAN. Because the Maritime Commission, in investigating all the conditions, have found the facts and have an extensive report backing up their reasons for needing certain changes in the law. These are their recommendations, and that is what you are here for. You are here to tell us whether these are good for the future. I have said meaner things about ship operators than you ever did. But that is all past. Here we are. We are hoping to formulate some kind of legislation that will make it possible for you men to have jobs. If we cannot have peace at sea, we are not going to build any ships.

Mr. WHALEN. On that point, then, Senator, I will try to speak about peace on the sea, no mutiny, and the like of that. I am sure that this legislation is not going to curtail trouble on the sea, because with my 37 years of going to sea I have found that in the last 6 months, under the direction and guidance of the National Maritime Union, we have had less trouble on American ships than we ever had in

history before. The Senator does not care to go into ancient history, but I can give you some concrete examples of what we had before we had the National Maritime Union.

The CHAIRMAN. Why do we not concede that the Maritime Union is a good thing as you have pictured it? Now we are here to formulate a law which will wipe out defects, if there are any, and make conditions better so that we can go forward with this great enterprise.

Mr. WHALEN. Senator, as I visualize the thing, there is no need of any more laws at this time. The hysteria that has been built up in America by these shipowners through paid propaganda, over the radio and in the newspapers, is building the people's mind up for legislation in the interest of the shipowner. Whether this is known to the Senators who are pushing this bill, I think the facts lead us to believe that this is so.

The National Maritime Union has definitely got some pretty hard rules for the members to follow. We do not ask the officers any more to fire them for drinking. We fire them; and when we fire them we put them on the beach for 90 days.

The CHAIRMAN. Does that mean that you are going to take away from the master whatever legal or traditional rights he has?

Mr. WHALEN. No. How could we take the rights away from the master of a vessel?

The CHAIRMAN. You have not tried to do that?

Mr. WHALEN. Never, to my knowledge, even in the ridiculous *Algic* case, although they tried to prove we did.

This is why the shipowners do not want strong, well-disciplined union men on their ships. In the past when a man would make his report to the Department of Steamboat Inspectors, he would be fired. But today the National Maritime Union encourages the reports of any violation of the law, and we are strong enough to protect his job in doing this American act.

We know what the intent of this bill is and we know that it is not intended to keep Congress moving, because the gentleman who drew it up made one great mistake. He did not incorporate in the bill that when a man signed on a ship he would have to die on the ship because he would have no right to quit. I can visualize what would happen if 75,000 seamen happened to take it into their heads to live up to their constitutional right, and quit their jobs all together on the same day.

We seamen and we workers in the C. I. O.—

The CHAIRMAN (interposing). What do you mean by the right to quit? The right to quit while you are on the ship, the right to sit down and not work?

Mr. WHALEN. No.

The CHAIRMAN. You have the right now to quit?

Mr. WHALEN. We have the right to quit.

The CHAIRMAN. Then what do you mean—that we are trying to do something to interfere with your right to quit? You have your legal rights now. If you mean the right to sit down on the ship, that is another thing, is it not? Do you believe in that right?

Mr. WHALEN. I do.

The CHAIRMAN. You believe in the right to have a sit-down strike on a ship?

Mr. WHALEN. I believe in the right to strike.

The CHAIRMAN. On the ship, on the high seas?

Mr. WHALEN. On the high seas? A man would be insane to do that.

The CHAIRMAN. You believe in your right to do it, do you not?

Mr. WHALEN. No, sir. That never has come up in the argument at all, at sea. You do not strike at sea. You could not get any demands granted at sea. You would have to be in a port to get some demands granted.

Senator VANDENBERG. Do you believe in the right to strike in a foreign port?

Mr. WHALEN. We had the right many, many years ago to quit when we wanted to in any foreign port.

Senator VANDENBERG. In other words, you mean you believe in the right to sit down in a foreign port and tie the ship up there?

Mr. WHALEN. I believe we have the right to quit a ship in any port in the world. That is our right.

The CHAIRMAN. To leave the ship?

Mr. WHALEN. Yes.

The CHAIRMAN. Not to sit down on the ship?

Mr. WHALEN. To sit down on the ship.

The CHAIRMAN. You have the right in any port in the world to leave the ship?

Mr. WHALEN. To quit the ship?

The CHAIRMAN. Yes.

Mr. WHALEN. Right.

Senator VANDENBERG. We are not arguing about that.

The CHAIRMAN. We all admit that. That is the law. But have you the right to sit down on the deck and not work?

Mr. WHALEN. I do not believe we have ever tried that. I do not believe there was ever a sit-down strike in any foreign port. But we believe we have the same rights in foreign ports that we have in any American port.

The CHAIRMAN. Yes; to leave the ship.

Mr. WHALEN. Any right. That has got to be decided, as to whether a sit-down strike is legal or not. They are pushing this around in court for some time. As an American citizen I believe that we should live up to the law, and until this is settled by law I say that I could not answer whether it is right or not, because even the judges have not decided that.

The CHAIRMAN. Do you know of any instances where there have been a sit-down strike on a ship?

Mr. WHALEN. Yes; I have engineered a lot of them.

The CHAIRMAN. Do you consider that that is legal?

Mr. WHALEN. Yes; I do. I think many judges think it is legal, too. Some judges disagree.

The CHAIRMAN. You think that anywhere in the world you would have a right to do that?

Mr. WHALEN. Anywhere in the world. An American, as long as he is on an American ship, should have an American right. It makes no difference what port he is in, as long as the ship is in a safe harbor. I would ask the American consul to give me my rights as an American citizen if I were in Paris or anywhere else. I should demand my rights as an American citizen; and certainly when I am on an American ship I am on American territory.

Senator VANDENBERG. Suppose an American ship on a voyage lands at Habana, and suppose the captain has posted a notice that

the ship is to sail at 6 o'clock. Suppose that at 6 o'clock one of the crew is still ashore and has broken his shore leave. Suppose the captain proceeds to sail without him, and the delegate notifies him that the crew will not work the ship unless he remains there waiting for this man to appear. Do you approve of that?

MR. WHALEN. No, sir; I do not. That is stupid, in my opinion. But if such a thing did happen, which I would not approve of, nevertheless it is not illegal. There is no danger connected with it, any more than if he was going to sail from New York to Habana.

SENATOR VANDENBERG. There is the danger of completely disrupting the American merchant marine if they cannot have regular sailing schedules.

MR. WHALEN. I think, Senator, that such things as you have brought out there are good points to argue on.

SENATOR VANDENBERG. I think you would get a great deal further in washing up this situation if you and your group would as freely concede when you are wrong as we concede when the shipowner is wrong.

MR. WHALEN. I can probably clarify in the Senator's mind why we come here. When we come here we are skeptical —

SENATOR VANDENBERG. I don't blame you a bit for that.

MR. WHALEN. We are uneducated men. We know what we are coming up against here. We come up against some of the highest type of lawyers there are in the country, men that have been in politics. They can tangle us all up very easily. So we are skeptical. We come in and see Ira Campbell always around, and representatives of the big shipowners here, and we are skeptical. I think we have a right to be.

THE CHAIRMAN. Senator Maloney, are you a lawyer?

SENATOR MALONEY. No, sir.

THE CHAIRMAN. Are you, Senator Ellender?

SENATOR ELLENDER. Yes, sir.

THE CHAIRMAN. The Senator at your right is the only lawyer here. The other members of this committee are not lawyers. So far as that particular criticism is concerned, you can trust us.

SENATOR ELLENDER. As a matter of fact, I am not a member of this committee. I am a member of the Labor Committee.

MR. WHALEN. I believe we have a right to be skeptical. I know we belong to a class of men that have nothing; and I have no fear of being contradicted in making this statement. Even the President agrees that a few are running the country and would put us in under the same methods of organized labor that they have in Germany and Italy. Big business would do that to us tomorrow if we did not have progressives here in Washington. We know that. That is why we are skeptical, Senator. It is not that we do not want to trust you, but we do not know just exactly what is going on in your mind.

On the school question, I agree with what was brought up here this morning. I believe that the Commission should set up a subcommittee and educate the men that are going to sea. I do not believe that Mr. Emerson brought that out as clearly as we see it.

We believe, Senators, that men going to sea are somewhat like myself — they have never had a chance to go to school. Education and training never hurt anybody. But we think we should have something to say about the training. We say we represent the seamen, although the American Federation of Labor will say they represent more sea-

men. They can say that if they want to. We have got the facts to prove that we do. We want people on that board. We want people taken from the ranks of the seamen to train seamen. We do not want the jingoist and the Army and the Navy to be training them. I am an ex-service man. I never learned anything about sociology in the Army. They teach you how to keep your rifle clean and how to pitch a tent, and the like of that. We want to teach the American seamen what it is to be an American, to know what the laws of the country are and how to live up to them. We believe that the schools should teach seamanship, engineering navigation, but not under the strict discipline of the Navy or the Coast Guard or under the nautical schools of Massachusetts and Nantucket.

The CHAIRMAN. Do you want such a training school to be under the same discipline that you would have in any school of law or chemistry or—

Mr. WHALEN (interposing). Yes. A man is not hung up by his thumbs if he refuses to go to a class today; but after certain refusals it is evident that he is not interested, and a university usually expels such a man, I believe.

The CHAIRMAN. All right. We have got that point. What is your next one?

Mr. WHALEN. The next is on the subsidizing of ships and the building of ships in foreign quarters.

The CHAIRMAN. You have declared yourself very positively on that subject through other witnesses, and we have a very sympathetic committee.

Mr. WHALEN. That will be all, then, Senators. Thank you.

Senator MALONEY. Do you believe in a subsidy to shipowners?

Mr. WHALEN. I believe in a subsidy when the subsidy is used as a subsidy. I don't believe in subsidies for high wages.

Senator MALONEY. Neither do I; but you believe in it in principle?

Mr. WHALEN. In principle; yes, sir.

Senator MALONEY. If it is honestly handled?

Mr. WHALEN. Yes; to keep the ship up and to see that the food and living conditions and wages are kept up to a standard.

(The witness withdrew from the committee table.)

STATEMENT OF JOSEPH SMITH, PRESIDENT, NATIONAL ASSOCIATION OF AMERICAN SEAMEN, INC.

The CHAIRMAN. Give your name and background for the record, Mr. Smith.

Mr. SMITH. My name is Joseph Smith.

The CHAIRMAN. You are here representing whom?

Mr. SMITH. I am president of the National Association of American Seamen.

The CHAIRMAN. Is that a union?

Mr. SMITH. Yes, sir.

The CHAIRMAN. You are not affiliated with the American Federation of Labor or the C. I. O.?

Mr. SMITH. No, sir. Independent.

Gentlemen, before I start on this bill here, I just want to give you a little background of what I have done for the American seamen. As I understand, the National Maritime Union wants credit for this, and the International Seamen's Union wants credit for it. In 1933 we

organized the National Association of American Seamen. During that time I testified before the Committee on Immigration and Naturalization, on the Bland bill, and that was passed. I testified before Congressman Dickstein's committee on two different occasions, and I had several Nazis fired for activities on United States vessels. I testified before Senator Black's air-mail and ship-subsidy committee and supplied Senator Black with specific information, and during the mail investigation I supplied valuable information to the United States district attorney in the southern district of New York.

All during 1933 and 1934 it was I who fought for a code for the American seamen and had it put into effect. There were six charter members under the N. R. A. and I happened to be one of the six. I have clippings and letters here from the N. R. A. from Mr. Roosevelt, and so on and so forth, with regard to a hearing for the American seamen. Finally we got a hearing and the code was passed.

Senator MALONEY. What is your present position?

Mr. SMITH. I am unemployed. I cannot make a ship on account of the National Maritime Union. When Mr. Curran came off the *California* I happened to have a little article in the Journal which they pushed a little further and said it was a Communist move to get control of the International Seamen's Union—

Senator MALONEY. What organization do you belong to now?

Mr. SMITH. My organization is still in existence, the National Association of American Seamen.

Senator DONAHEY. What is its numerical strength?

Mr. SMITH. Right now we have not very many members. They cannot make a job on a ship unless they join the National Maritime Union or the International Seamen's Union.

Senator MALONEY. Are you associated with the C. I. O. now?

Mr. SMITH. No, sir.

Senator MALONEY. Are you at odds with the C. I. O.?

Mr. SMITH. Not exactly. I am not at odds with anybody right now.

Senator MALONEY. Are they at odds with you?

Mr. SMITH. Yes. I can't make a job. I was told they would blackball me for 99 years on account of giving Mr. Curran a blast in this paper in 1936.

Senator MALONEY. What did you say about Mr. Curran?

Mr. SMITH. I didn't say a thing about him, only what the Journal put in there—that it was a Communist move.

Senator MALONEY. Did you charge him with communism, or does he charge you with it?

Mr. SMITH. No; I did not charge him at all. I said it was a Communist move to get control of the union. I based my statement on a letter I received from the secretary of the Marine Workers' Industrial Union, a Communist organization.

The CHAIRMAN. What did he tell you?

Mr. SMITH. He wanted to send representatives to our union at that time, to have something to say to our members.

The CHAIRMAN. This organization was a communistic organization?

Mr. SMITH. Yes, sir; it is the Maritime Council of the city of New York, comprised of licensed officers, radio operators, and so forth.

I cannot make a ship, and the shipowners are just as much guilty as the others. They told me, "I don't want you." I asked why. They said, "You are always starting investigations."

I started an investigation down at the water front when they were issuing false tickets. They say, "You are an agitator."

The CHAIRMAN. Do you think there is communism on the ships?

Mr. SMITH. To a certain extent there is. I will not say what the percentage is, but there is communism, to a certain extent.

The CHAIRMAN. Do you mean to a dangerous extent?

Mr. SMITH. I would not say to a dangerous extent. Shipowners recognize the International Seamen's Union. The men join the I. S. U. I have heard it in New York, San Francisco, San Pedro, in practically every big company in America, the Dollar Line, the Panama-Pacific Line, the Munson Line—

The CHAIRMAN. What did it mean to you?

Mr. SMITH. It did not mean much to me.

The CHAIRMAN. I know; but what was the significance of it? If you have information about communism, give it to the committee.

Mr. SMITH. I did turn over whatever information I had on Nazis and Communists, and so forth, to Mr. Dickstein about 4 years ago. As far as fighting them, I am not fighting them, Senator. It is just a case of my explaining my views. I cannot go and make a job for the simple reason that they say, "You are working with the shipowners."

When we organized our organization we charged \$1 a year. They charge \$10 today.

The CHAIRMAN. Now, Mr. Smith, we have had the background. What have you to say about this bill?

Mr. SMITH. About this bill, Senator, I have a letter here dated June 28, 1933, from the New York State Merchant Marine Academy. I think, Senator, that one of the finest things that could be done is to build a merchant-marine academy operated by the Maritime Commission or whatever department they see fit to operate it, to take youths and put them on ships and train them, like you send boys out into the C. C. C. camps. It is only a matter of time; it may be 2 years or 5 years, when war may come. During the last war I sailed in the Army transport service. War has got to come sooner or later. Why not be prepared? The Government is spending hundreds of millions of dollars for ships. Why not have trained crews, civilized crews?

It has only been since 1934 that the new seamen's certificates came into effect, whereby aliens with a 3 years' certificate can sail on United States subsidized vessels as citizens. Most of them came down and got their certificates. Along came the "fink" book, and they got that. Then along came another ruling, and they got certificates. I have certificates now, but I cannot make a job.

Senator MALONEY. Are you a seaman?

Mr. SMITH. Yes, sir. I have sailed for probably every company in America.

The CHAIRMAN. You do not have a job because you do not belong to the union?

Mr. SMITH. I can't join the union. They say I am a radical, that I am working with the shipowners. They accuse me of everything under the sun.

The CHAIRMAN. You have my deep sympathy.

Mr. SMITH. I can prove by records that I spent \$4,000 out of my own money coming to Washington and sending telegrams, out of my own pocket. Why? For one purpose: to see that we have United

States citizens aboard United States mail subsidized vessels.

The CHAIRMAN. Did we not do pretty well in our law?

Mr. SMITH. It is very good.

The CHAIRMAN. The freighters have crews that are 100 percent American?

Mr. SMITH. Yes. Seventy-five to 85 percent right now; 100 percent on deck and 75 percent in the stewards' department right now.

The CHAIRMAN. Then we have done something?

Mr. SMITH. Yes, sir.

The CHAIRMAN. And so have some others.

Mr. SMITH. Now, getting down to this bill, Senator—

The CHAIRMAN. What about this bill?

Mr. SMITH. The same thing as the mediation bill they had last year or the year before. I think a bill of that sort would be all right to a certain extent, if the unions and the Government should have an equal amount of representation, with the President of the United States appointing an arbitrator, an honest man. There should not be any trouble on ships. The men are getting more money than they ever got before. The food is lousy on some ships. I have been in the glory hole with the steward on several ships, but it is getting to a point now where they are remodeling the ships and putting in new quarters, new mattresses, new blankets. The shipowners are hollering that they have not any money, but they can get the money; they can cut down their overhead on the docks: They pay too big dividends.

The CHAIRMAN. Now, tell us about the bill. Do you think it is a pretty good bill?

Mr. SMITH. The bill, as is—outside of a few changes, the bill itself is not a bad bill, providing labor gets an equal break in representation.

The CHAIRMAN. We are glad to have had your testimony. Is there anything else you want to say?

Mr. SMITH. That is all, Senator.

(The witness withdrew from the committee table.)

STATEMENT OF DR. B. M. GANCY, DIRECTOR OF THE FILIPINO LEAGUE FOR SOCIAL JUSTICE, NATIONAL HEADQUARTERS, WASHINGTON, D. C.

The CHAIRMAN. Give your name to the reporter, please.

Dr. GANCY. B. M. Gancy, director of the Filipino League for Social Justice, with national headquarters here in Washington.

I did not come here to make any complaints about the present bill as it is. It is not my province to say anything about the bill, although I am a very attentive listener at the present hearing.

The CHAIRMAN. You have been a very patient one, because you have been present at all of our hearings.

Dr. GANCY. Yes, Senator. I have a very serious problem for my people. I am really grateful for the privilege that you have accorded me today. I came here as a Filipino citizen and as a subject of the United States, and also as director of the Filipino League for Social Justice, a national organization of Filipinos in the United States and in the Territories of Hawaii and Alaska.

The Filipino League for Social Justice was formed almost 3 years after the passage of the Tydings-McDuffie Act, better known today as the Philippine independence law.

The CHAIRMAN. You may recall that I was opposed to that bill.

Dr. GANCY. I am glad you were, Senator. Thank you for the information.

The CHAIRMAN. I was all alone in my opposition.

Dr. GANCY. I hope you are not alone now.

The CHAIRMAN. I could not get anybody to even second the motion.

Dr. GANCY. The history of that law is undoubtedly familiar to all of you and the history of the Filipinos' plea for freedom is likewise a very familiar cause among members of both Houses of Congress. The Filipinos, as you very well know, have come before Congress for almost two decades, pleading for the fulfillment of the covenant entered into by the people of the United States and the Philippine Islands, promising the Filipinos their independence as soon as the establishment of a stable government became a reality in the Philippines.

To all these pleadings by Filipino leaders who have come to Congress you have all been extremely kind and exceptionally receptive. As a consequence, Congress on August 29, 1916, wrote into the law bill sponsored by the late Congressman William A. Jones of Virginia, giving the Filipinos the first major test of their ability to run and manage an autonomous form of political government. The passage, however, of that act did not lay to rest the incessant agitation of race and party antagonism of the Philippine problems.

Year in and year out, Filipino missions came to Washington and appeared before Congress pleading for the complete freedom of the Filipino people, as promised by successive American administrators and morally supported by successive Congresses. If some Filipino missions in some fashion have become nuisances to Congress because of their many demands for immediate Philippine emancipation, the Members of this Congress and of past Congresses have listened to all of them most patiently and in many instances patronizingly.

In March 1934, Congress passed the historic Tydings-McDuffie law, writing the final chapter in the statute books of Philippine-American relations the provisions designed for the final termination of American stewardship over the Philippines. That law, as you very well know, gentlemen of the committee, received the overwhelming approval of the Filipino people at that time. Into that law was written the provisions which have today become the basis of grave social and labor problems of Filipinos residing in the United States and the Territories.

It is not my intention, gentlemen of the committee, to criticize here, that provision of the independence law which placed my people in the category of aliens in this country, because that section only pertains to and affects Filipinos who wish to enter the United States, or affects Filipinos in the United States who wish to become naturalized citizens.

But I say to you, gentlemen of the committee, that I do criticize the leaders of the Philippine Government for their lack of foresight and their lack of interest in making adequate provisions in behalf of thousands of Filipinos residing in the United States and in the territories of Hawaii and Alaska, when the Tydings-McDuffie Act was being drafted.

Senator MALONEY. May I interrupt you there?

Dr. GANCY. Yes.

Senator MALONEY. Are you going to discuss this bill in your statement?

Dr. GANCY. I am not especially discussing the bill, Senator. I am merely giving the basis of why the problems of the Filipinos at present are so acute.

Senator MALONEY. I wonder if it would satisfy your purpose to just put your statement in the record, if it does not concern this bill.

Dr. GANCY. It does concern it very intimately, Senator.

The CHAIRMAN. You know, Senator, the Filipinos are denied inclusion in the crews. That is the point, is it not?

Dr. GANCY. Yes. It is very brief, Senator, I assure you.

The CHAIRMAN. I think, though, that you might put your background and legal interpretation in the record, because there are only two or three of us here, and then present your argument for inclusion in the record. We will print it as if you had read it all.

Dr. GANCY. All right; but I would like to just finish this paragraph, if I may, Senator.

The CHAIRMAN. Proceed.

Dr. GANCY. I criticise them for their failure to reasonably provide for my compatriots in the United States and in the Territories with some legislative proposals or plans to afford our thousands of expatriates in this country an opportunity to readjust themselves in the changed political relationship, at least during the transition period provided for in the Tydings-McDuffie Act.

If such a provision or such a plan was made a part of the intimate consideration of the whole Philippine-American relations, there would have been no need for my appearance before you today. There would have been no problem, except the ordinary problems which attach to ordinary members of a community. There would have been no need for me to plead before this committee and before the American people to grant the Filipinos in the United States and the Territories, an opportunity for an orderly readjustment of their labor and social privileges.

Had provisions been made for these orderly processes of social and labor readjustments, the Filipino League for Social Justice would not have come into being.

My appearance before this committee was the outcome of many factors which contributed to the acceptance of that ill-conceived independence plan. That plan, gentlemen of the committee, was the result of the over-hasty desire of our ambitious leaders to bring home something which looked like freedom in order to please our hysterical mob in the Philippines which at that time dominated Philippine politics.

It follows therefore that since the passage of the Tydings-McDuffie law, a succession of events transpired, all tending toward the complete relinquishment of all legal and moral responsibility of the people of the United States insofar as it affects the status and well-being of Filipinos in the United States and the Territories.

Among these, the passage of the Emergency Appropriation Act of 1937, giving preference to American citizens only, affected about 3,000 Filipinos in the United States alone. Today their position is desperate.

Many Filipino industrial workers are also being discriminated against because of the misinterpretation of that particular section of the Tydings-McDuffie law classing Filipinos as aliens even if that law is only for purposes of immigration.

Thousands of Filipino wage earners in this country are being discriminated against because of the growing trend of thought that the Filipinos ever since the passage of that law are no longer American subjects.

Last year Congress passed what is known as the Merchant Marine Act of 1936, and among other things contained therein, was that particular provision in section 302, requiring that only citizens of the United States shall be permitted to serve in merchant marine and fishing vessels of the United States, except the small quota allowed to aliens.

This same provision and this same law which placed the Filipinos in the category of aliens, insofar as serving is concerned is today the very act which this committee proposes to revise. I am therefore, presenting to this committee the bare facts surrounding the unfortunate plight of Filipino seamen from the time the Merchant Marine Act of 1936 became operative and section 302 of said law took effect.

Gentlemen of the committee, the history of Filipino seamen who have helped man the United States merchant marine and fishing vessels dates back as early as 1901. Many Filipinos who since that time became eligible for service in the United States Navy, upon their discharge found employment in American merchant marine and were in most cases assigned to the stewards' departments. But even earlier than 1901, in fact as early as the seventeenth century, during the Spanish galleon trade with Mexico, Filipino seamen were recruited to man and serve in Spanish vessels. Many of those seamen migrated to the coast towns bordering the Gulf of Mexico and many finally settled in what is now known to be the State of Louisiana on or about 1823.

They were a hardy lot, these Filipino seamen of that century but even hardier still were the Filipino seamen who came year after year since Admiral Dewey conquered the Spanish fleet at Manila Bay. Hundreds of these Filipino seamen, after they have been acclimated with things American have chosen this country as their home. Hundreds of them today have no thoughts whatsoever of returning back to the land of their birth, no matter what final disposition may be reached regarding American-Filipino relations.

Almost all of the approximately 3,000 Filipino seamen who are today unemployed came at a time when the American shipping industry accepted Filipinos on the same level with American citizens. All of them, without exception, came before the passage of the Philippine independence law. Almost 95 percent of them had lived in the United States for at least 5 years. Many of them have lived in this country for a great number of years and have so established themselves in many communities where employment in their trade is available. About 20 percent of these Filipino seamen are today married to American-born women. Many of their children who are in law American citizens are either in schools or gainfully employed. The sons oftentimes followed the vocation of their fathers. These Filipino families have, therefore, become a fixed part of American community life. Like their fathers, they are loyal American subjects and citizens, and as a whole a thoroughly law-abiding group.

I ask you, gentlemen of the committee, to look at their unfortunate plight from all angles, from a purely legal standpoint, from a purely constitutional point of view, from the accepted or natural point of view and also from a very humane point of view.

I ask you, gentlemen of the committee, to look at the Filipino seamen's problems just as you would expect others to look at it, if your own seamen were placed in the same position. I am sure that if your seamen were placed in that unfortunate position the Filipinos are today confronted with, you would make an even more passionate appeal for the favorable treatment of their conditions. I dare say that you will demand that a speedy consideration of your seamen's problems be made.

I am not here, however, gentlemen of the committee, to demand of you and of Congress that you correct the anomalous position of our Filipino seamen. I prefer to ask you to give my people what you in justice would ask others to give your own people if placed in the same unhappy position.

It is possible that while you are patiently listening to me, some of you may be asking yourselves this question: Why should I give the Filipinos the privilege that only American citizens have a right to enjoy? Perhaps you would further say to yourselves that since the Filipinos wanted to be entirely divorced from the United States, they—the Filipinos—should be made to take the responsibility and the consequences of their acts. In other words, you might say to yourselves, "The Filipinos cannot have their cake and eat it too."

To the first question, gentlemen of the committee, as to why you should especially be asked individually and collectively to grant the Filipino seamen the privilege to serve in American subsidized vessels, permit me to say to you: You are individually and collectively asked to bestow that grant to the Filipino seamen because they are in law and in all humane considerations your subjects and your wards. The Filipino seamen, just as everyone of their race, whether residing in the United States or in the Philippine Islands, are still American subjects and must remain so until the final grant of complete independence is given by Congress. They owe allegiance to the United States. In fact they owe allegiance to no other country than this country.

Now I ask you, gentlemen of the committee, if it is a good law, that which deprives a subject from enjoying the rights and privileges of a subject, or is it a wise law, that which discriminates against a race who owes complete allegiance to no other flag than the American flag? Or is it a just law, that which deprives a man from the enjoyment of the pleasures and blessings of a democracy to which he has become a part?

I am sure, gentlemen of the committee, that had you known that section 302 of the Merchant Marine Act would operate arbitrarily against your very own subjects, you would not have sanctioned the passage of that act without adequate legal and humane provisions for the welfare of your subjects.

It is quite true that one cannot "have his cake and eat it too." But you must remember, gentlemen of the committee, that the Filipinos in this case are not permitted to eat their cake at one sitting. Rather, you and Congress imposed upon them that the eating should be gradual and should be done within the extended period of 10 years. The Filipinos, therefore, in this case become an exception to the rule. They can have their cake and eat it too.

The fairness of the American people and of Congress in its dealings with subjects, with friendly as well as enemy nations, made this country the most outstanding Nation of the world today. To this

country, the persecuted and the downtrodden nationals of European countries have sought haven and they have found in your midst a fair welcome upon their arrival. You have welcomed them and greeted them cordially even if they had been, at sometime past, your mortal enemies. You have welcomed and assisted people who before or even after their landing on American soil are still loyal subjects of their respective countries. Your fairness, therefore, with your former enemies further convinces me that you will be more than fair in your treatment of your own subjects.

With that sense of humility and with genuine feeling of thankfulness that the Filipinos are subjects of your flag, I ask you, gentlemen of the committee, to grant to the Filipino seamen the privilege of serving in American merchant marine and fishing vessels as citizens of the United States at least until the final termination of your stewardship over the Philippines is ended, by inserting in the proposed bill now under your consideration, S. 3078, immediately at the end of section 301, page 5, after line 22, the following amendment to section 302 of the Merchant Marine Act of 1936, as follows:

SEC. 7. Section 302 of such Act is amended by adding at the end thereof the following new subsection:

"(1) Notwithstanding any provisions of this or any other Act to the contrary, any citizen of the Philippine Islands who was lawfully admitted to the United States prior to the 1st day of May 1934, and who has served upon any merchant or fishing vessels of the United States, shall be deemed a citizen of the United States for the purpose of serving, and shall be eligible to serve, on board any passenger, cargo, or fishing vessel of the United States during the period ending with the complete relinquishment of sovereignty over the Philippine Islands by the United States."

All I wanted to ask is this, and it will take only 2 or 3 minutes——

The CHAIRMAN. As I understand it, a Filipino can go on one of our transports if he enlists in the Philippines, and can come to the Pacific coast, but he cannot go back on the next trip of that transport?

Dr. GANCY. It all depends on how he came over. If he was signed up as a seaman on the transport, he can go back.

The CHAIRMAN. That is, he can make the round trip on the transport?

Dr. GANCY. That is right.

The CHAIRMAN. But if he came over here and then left the transport and at some later time he wanted to reenlist and go the other way, he could not do it?

Dr. GANCY. That is right.

All I want to ask of you gentlemen of the committee, outside of the privilege of inserting my short brief in the record, is this: That in the consideration of the Merchant Marine Act you will remember that approximately 3,000 Filipino seamen have served loyally the American merchant marine and the American shipping industry. Now, because of the passage of the 1936 Merchant Marine Act and because of the inclusion in that particular act of a section requiring that such men are ineligible to serve because they are not, in the common acceptance of the term, American citizens. They were discriminated against, because of oversight, possibly, or because of failure, as I said, of some of our leaders now here in Congress and in the Philippines to take an interest in behalf of our people here. They were so busy about independence that they have neglected the social and economic questions involved.

I am submitting to this committee an amendment to section 302 permitting Filipinos to serve in the American merchant marine vessels, at least during the transition period, because I do not see any justice, gentlemen, in having a group of people that are subject to the call to arms, subject to all your laws, and owing complete allegiance to the United States—we owe no complete allegiance to any other country; this is the only country, really, that we owe allegiance to—and during the next 10 years, at least, if, unfortunately, the United States grants the Philippines the freedom they have so long lobbied for—I say, I do not see any justice in excluding these people from the provisions of the bill.

I say that in fairness to the people who have been here and been a part of your merchant marine, who really are good stewards and good independent boys. I think many of you have been served by them. Many of you Senators have been waited upon by Filipinos, and I think you have found them very, very loyal. I do not know of any other people who would be as good an addition to the American merchant crews as the Filipinos, because they are really loyal and grateful to the people of the United States.

Our country is not much of a country to speak of when it comes to a show-down in an international crisis with complications such as we have now. I think every Filipino will be very willing to give to the United States what they have sworn to give, unqualified and undivided allegiance.

You would not expect all of them to have unqualified allegiance if you take away from them the very privilege that as subjects they are entitled to. We cannot vote here because we are not permitted by the law to vote. But we at least must be given, in justice and equity, some privilege to serve in the American merchant marine vessels without being classed as aliens, because it hurts. It is not only a matter of employment; it is a matter of principle. We are classed as aliens, but we are not aliens.

Those are questions, gentlemen of the committee, that I submit to you. Whether or not you are in favor of Filipino independence, whether or not you believe that Filipinos are capable of governing themselves, the question still remains that during the transition period, as fixed by the law, in the 8 remaining years, you have still some moral and political obligation to these people in the United States, who came here previous to the passage of the law and are entitled to the privileges they have enjoyed before the passage of the law. So I ask that the committee consider an adequate provision, and—

Senator ELLENDER (interposing). Before you read your amendment—you are familiar with the bill that I introduced?

Dr. GANCY. I am, Senator.

Senator ELLENDER. How does your bill compare with the one I introduced?

Dr. GANCY. There are certain differences. It is practically a copy of your bill, Senator. The only thing that I have stricken out in the bill is the provision that the Filipinos must show their intention to remain in this country.

Senator ELLENDER. Yours provides that they can remain forever?

Dr. GANCY. It does not have that particular proviso. It provides that they show their intention to remain. The Labor Department have questioned it already and said, "How can you show your inten-

tion to remain?" We never made any declaration when we came here. We came as free agents. We did not declare ourselves to have to come here to remain. Of course under the quota basis now for aliens to which the Filipinos are subjected we have to make our intentions clear.

The CHAIRMAN. Of course the Filipinos can serve in the steward's department on passenger ships, and they can serve on nonsubsidized ships in any capacity.

Dr. GANCY. That is right.

The CHAIRMAN. So the Filipinos are deprived of serving on subsidized vessels?

Dr. GANCY. That is right. The matter that is involved, Senator Copeland, is much deeper than the question of employment. It is a question of principle, that if the American subsidized vessels refuse to admit Filipinos, it follows, therefore, that the other nonsubsidized boats will also take the same view.

The CHAIRMAN. I see. We will bear that in mind. Did you put your amendment in the record?

Dr. GANCY. Yes, sir; it is incorporated in the record. I thank you for the kindness you have shown me.

(The witness withdrew from the committee table.)

STATEMENT OF E. L. OLIVER, VICE PRESIDENT, LABOR'S NON-PARTISAN LEAGUE

The CHAIRMAN. You are from the Labor's Non-Partisan League?

Mr. OLIVER. That is right, sir.

The CHAIRMAN. Will you give your name for the record?

Mr. OLIVER. My initials are E. L. Oliver, vice president of Labor's Non-Partisan League. I have been for the last 15 years intermittently and for the last 10 years exclusively, engaged in the handling of labor disputes, labor activities, under the Railway Labor Act; that is to say, under the Transportation Act of 1920, under the act of 1926 and the act as amended in 1934.

The CHAIRMAN. You were acting there officially?

Mr. OLIVER. Yes.

The CHAIRMAN. But your present organization is nongovernmental; is that right?

Mr. OLIVER. Yes, sir. Labor's Non-Partisan League is a political organization composed of individuals and, for the most part, labor organizations, although there are farm and other organizations with similar objective affiliated with the league. It is a national organization with branches in each of the 48 States of the Union, and with city and county branches and branches organized in congressional districts.

The CHAIRMAN. Where is your office here?

Mr. OLIVER. In the Willard Hotel, room 201.

The CHAIRMAN. Are you going to tell us something about this bill?

Mr. OLIVER. I will comment on it from two standpoints: First, from the general standpoint of its applicability to the maritime industry; and second, with respect to its specific provisions.

The CHAIRMAN. You are speaking, particularly of title X, the labor section?

Mr. OLIVER. Yes.

The CHAIRMAN. And it is to that you are addressing yourself specifically?

MR. OLIVER. Yes, sir. The provisions of title X are an attempt to take over practically completely the provisions of the Railway Labor Act of 1934. The set-up in the law resulted in many years, certainly not fewer than 40 years, of collective bargaining in the railway industry. The law was a result of an evolution which applied provisions of the statute to the necessities of the industry. A great many of the things in the law grew out of the peculiar problems of the railway industry.

To attempt to take it as a whole and apply it to any other industry would probably be impossible. Certainly there is no reason to argue from the experience in the railway industry that the same provisions, particularly when they are expressed in identical language, would operate in any other industry. I would say that any other industry that did not have a long history of relatively successful collective bargaining, with such machinery as is proposed in this bill, could be successful. It is predicated upon the existence of strong national organizations and upon the existence of agreements, almost upon the existence of practically standard agreements throughout the country. In the absence of any such a situation the provisions of the law would not be of any material assistance in the settling of labor controversies.

With respect to the specific provisions, section 1002 makes applicable to the maritime employers and employees all provisions of title I of the Railway Labor Act, with the exception of certain parts of section 2, section 3, and section 10.

Later on in the act section 3 is referred to; that is, section 3 of the Railway Labor Act is referred to in section 1005 of the bill, and in that section of the bill section 3 of title I of the Railway Labor Act is made specifically applicable. It has been excepted from the earlier section and incorporated in the later section.

The paragraphs of section 2, which are included, are three which were left in the act of 1934 as a result of the experience under the 1926 act. They relate primarily to the so-called "yellow dog" contract and to company unions and other unfair labor practices which had prevailed up to that time in the railway industry. Those three paragraphs are specifically excluded.

Section 3 of the act which is referred to and some of its language incorporated in this bill has a specific significance in the railway industry. The Railway Labor Act defines grievances and other disputes to be handled by the adjustment board in a fairly specific way. That is to say, the term "grievance" means a dispute which arises where an agreement exists, and disputes which do not relate to basic wages, rules, or working conditions, but rather to the application of agreements in existence.

The term "grievance" generally does not mean that in the maritime industry or in any other industry in which there was any relatively complete organization. The term "grievance" would normally be construed to include unsatisfactory wages or long hours or the discharge of men for union activities, a great many types of complaints which would not in the railway industry be considered as a grievance under the terminology of the law.

The testimony by the Chairman of the Maritime Commission, on page 28 of the printed document which I have, says [reading]:

It should be emphasized that this act does not prohibit the use of labor's most important weapon, the strike. It merely provides in the public interest that such weapon shall not be employed until reasonable efforts have been made by

both parties to settle the dispute with the assistance, if need be, of the Federal Government.

As a matter of fact, although the language itself is not repeated in the bill before the committee, section 3 of title I of the Railway Labor Act does actually limit and take away with respect to the type of disputes there considered the right of the employees to strike. The language which was used this morning by Senator Vandenberg occurs in the Railway Labor Act with reference to that type of dispute.

In section 3 of the Railway Labor Act, which is specifically caught up into this bill, paragraph M, coming under the fourth division, reads as follows, in part [reading]:

A copy of the awards shall be furnished to the respective parties to the controversy, and the awards shall be final and binding upon both parties to the dispute except insofar as they shall contain a money award. In case a dispute arises involving an interpretation of the award, a division of the board, upon request of either party, shall interpret the award in the light of the dispute.

There is no way in which either party can refuse to go through with the machinery set up in the law if the other party invokes the machinery. So that in effect in the railway industry, for the settling of minor disputes arising out of applications or interpretations of existing agreements, there is compulsory arbitration. It escapes that form only insofar as it applies within the framework of basic agreements.

Applying that same machinery to the maritime industry, in which those basic agreements do not exist, there would be no way by which the seamen or any other group of employees coming under the law could avoid the arbitration of their disputes and no way in which they could avoid the necessity of accepting the decisions of the board if their employer desired to carry the dispute through this machinery. It would be, I think, without question, a compulsory arbitration of disputes, and it would mean that the right to strike has been taken away from them. That specific language does mean it. A distinction should be made, I think, between an agreement accepting voluntarily a limitation upon the activities of the union and a statement which imposes externally, even, the same limitation; that is to say, a limitation the same in words.

Most labor organizations are willing, where they have normal collective bargaining relationships with an employer, to voluntarily limit their activities in the character of strikes, boycotts, and so forth, where the relationships are amicable and where collective bargaining has been entered into for some period of time. To impose from the outside the same restriction in a situation where normal collective bargaining relations do not exist, would be a definitely and distinctly different thing; and I am inclined to believe, although I am not an attorney, that it would come within the prohibition applied to questions of compulsory arbitration law. It would seem to me that such a statute would probably not be constitutional under the decisions with reference to such laws.

The CHAIRMAN. Does anybody here have a copy of the proposal that Mr. Emerson made this morning for arbitration, taking a section out of the standard agreement? The other reporter has taken it away for the record. Will you, before you get through, say a word about that?

Mr. OLIVER. I shall be very glad to now, as well as I can remember it. As a provision in an agreement between the union and the em-

ployers it seems to me that is a model provision. It indicates a willingness on the part of the workers to surrender that chief weapon of theirs and to accept the findings of impartial persons.

The CHAIRMAN. Would not that presuppose some other arrangement to cover the basic problems of wages and hours, and so forth?

Mr. OLIVER. Yes. I believe it presupposes the existence of collective bargaining relationships and basic agreements covering them, but not necessarily specific wage rates or the methods of determining wage rates and other working conditions. I do not believe it could function in a situation in which those agreements did not exist.

The CHAIRMAN. As I have thought about it myself since this morning, it seems to me that you would have to hitch up with that proposal of arbitration some of these basic things, would you not, if you were going to write it into law?

Mr. OLIVER. I should say if it were to be written into law with any prospect of its operating successfully, it would have to be limited to those sections of the industry in which collective bargaining relationships had been stabilized; and then it would be ineffective, because where collective-bargaining provisions have been stabilized, that provision is already in effect. I understand it is in all the agreements, if I am not mistaken.

The CHAIRMAN. Yet, after all, even though these things are established, there might be disputes even after that.

Mr. OLIVER. There would be certainly a wide variety of disputes when, for example, wage rates were being changed. The normal agreement is that there will be a meeting of the employer and employee representatives and they will discuss and try to arrive at an agreement. Then there must be some provision for settling a dispute which cannot be directly negotiated. That is where the arbitration provision read by Mr. Emerson this morning would normally apply after the parties had been unable to arrive at a direct agreement; and in such a situation I think it indicates considerable statesmanship both on the part of the employer and the employee that so early in the history of collective bargaining there has been adopted that sort of a provision.

The CHAIRMAN. Yes; I was impressed by it myself.

Mr. OLIVER. The bill before the committee places upon the employers and employees in the maritime industry the duty of establishing boards of adjustment. The Railway Labor Act does not contain any provision of that sort. It seems somewhat inconsistent with the other provisions and may very easily interfere each with the other.

The CHAIRMAN. A few days ago I read very carefully the Guffey bill, and I can see that this bill which is before us had the same origin that the Guffey bill had. It is only a matter of detail where there are any differences between the two, and I thought then that there seemed to be some inconsistencies or difficulties which might arise out of this rather peculiar conglomeration.

Mr. OLIVER. I believe a great deal of such difficulties will of a certainty arise in any attempt to adapt this kind of machinery to a quite different line of work, as this is. If I may, I should like to say, before I go further with my discussion of the details of the bill, that I had a talk with a man who told me he had been instrumental in drafting this bill, and we discussed several features of it. I firmly believe that the bill has several features such as would render it

ineffective in operation; but anything I say I do not want to be construed as implying any diabolical intention——

The CHAIRMAN (interposing). We understand that.

Mr. OLIVER. I should like to have that made clear.

The CHAIRMAN. It is nice to have before us a witness who desires to be helpful.

Mr. OLIVER. I want to condemn the bill rather strongly, but in doing so I certainly have no intention to imply improper motives.

The CHAIRMAN. Taking a judicial attitude, one may differ from another and still consider the other man reasonable in his views.

Mr. OLIVER. The bill as proposed contains several what seem to be very gross faults in the way of an attempt to adapt the Railway Labor Act to the maritime industry. In particular, it proposes to establish an adjustment board under the mediation board of the Railway Labor Act, and to create it in accordance almost literally with the terms of section 3 of that act. That section 3 establishes a board of adjustment with specific divisions. Those divisions are expressed in terms of the railway industry. Everything with respect to the creation of that adjustment board ties in, yes, to the last detail, with the specific characteristics of the industry, such as the employers' organization, and the employees' organization, to lift that method out of the Railway Labor Act and attempt to apply it to the maritime industry. To attempt to create an adjustment board with four divisions which specifically deal with—well, the first division with disputes involving train and yard service employees, engineers and firemen, and so on, is an illustration of the almost absurd misfits which are concealed behind the general terms of the bill now before the committee. That is to say, when you simply take over section 3 of the Railway Labor Act, it sounds as though you are also taking over other parts of the section; and that section is entirely inapplicable so that it would be wholly meaningless.

Another illustration of the same thing, and which I think has more significance with respect to the effect of the bill, is that this section 3 of Title I of the Railway Labor Act, in creating the adjustment board, also establishes a method by which representatives of employees shall be selected, and in doing so it refers back to section 2. The National Labor Relations Act is, in form at least, preserved by parts of the bill before the committee, as to the power of the National Labor Relations Act with respect to the selection of employee representatives. But this particular section takes away from the National Railway Labor Act the power, or gives exclusively to the mediation board the power, to supervise the selection of employee representatives. It says that the adjustment board will have compulsory arbitration power. The only limitation upon the mediation board, I mean in the matter of employee representatives, is that contained in section 2 of the Railway Labor Act, which is referred to back in section 3.

Now, the parts of section 2 which are specifically excluded in this act, are those which prevent the use of yellow-dog contracts and company union representatives, and various other types of employer-dominated boards or committees. So, a literal application of this bill would not work out.

Now, I want to repeat that I do not think this was with any diabolical intention. On the other hand, if I had been asked to draft a law which would leave wide open a means of subjecting legitimate labor organizations in the industry to company-dominated organiza-

tions, this is what I would have written into a bill. I am sure they did not have that intention at all, and yet they could not have better accomplished it.

These three paragraphs are among the ones which were introduced into the Railway Labor Act in 1924, as well as before that time, but from 1926 to 1934 there existed in the railway industry a great many company unions, many of them financed by railway managements. They could not be eliminated under the 1926 statute, although formerly at least they were, even though in violation of law, or I would say in violation of the spirit of the law. As a result of the existence of these company unions, the most of the machinery for the handling of disputes was bogging down, and the demand for a modification of the law became so great that in 1934 both of the particular provisions were inserted. And they are now excluded from this act. So, if the bill were adopted, and otherwise were not objectionable, it would carry forward all the difficulties in the law before the 1934 amendments.

The CHAIRMAN. And in order to be remedied, in accordance with the action we took then, we would have to reinsert them, wouldn't we, and even then we would be in trouble, you say?

Mr. OLIVER. Yes, sir. But that particular insertion would be necessary to eliminate the gravest abuses in the railway industry, and they would still not be applicable.

The final section of the law to which I should like to call your attention—or, rather, before that there is one discrepancy that illustrates generally the impossibility of transferring such a statute as the Railway Labor Act. The bill before the committee would leave in effect, or rather would make applicable to, the maritime industry section 2, paragraph 8, of the Railway Labor Act. It would not apply; in fact, it would specifically except paragraphs 4, 5, and 9, but section 8, which would apply, requires that the carriers post a notice which will show the contents of paragraphs 4 and 5, which are specifically excluded from this act.

And that sort of thing exists throughout this bill. It would take considerable time to point out the thousand-and-one inconsistencies contained in it. But the final point I should like to call to the attention of the committee is that section 1007 says:

Except as provided in this title with respect to maritime employers and their employees, nothing herein shall be construed to repeal or amend any provision of the National Labor Relations Act or to restrict the powers and duties conferred upon the National Labor Relations Board by said Act.

I understand that that was expected to save most of the functions now being exercised by the Board. As a matter of fact, in the actual application of such a statute to the handling of labor disputes, almost inevitably there will be a border zone, and probably a border zone so wide that it could include all disagreements that might come under the law, in which case it would be impossible to determine whether the National Labor Relations Boards, or the Mediation Board, or the Adjustment Board, had jurisdiction. Inevitably there would be differences of opinion as to which of these various agencies should handle a dispute. I can conceive of nothing more calculated to increase friction than to have simultaneous jurisdiction by two or more governmental agencies, because each party would try to carry his dispute to this one or that one which he thought might more satisfactorily handle it.

The CHAIRMAN. It is only human, I take it, that they would try to do so.

Mr. OLIVER. I should think they would be not only human in trying to go as far as they could, but that they would try to take it to the best court they could find.

The CHAIRMAN. I see your point.

Mr. OLIVER. These particular points—and they are only a part of those I think might properly be considered—lead I think to the general conclusion that this bill attempts an impossible thing—to lift from one industry specific details of machinery which have been evolved in 40 years of collective bargaining, and apply it to another industry, which is very different in that there has been no collective bargaining and where the most of the specific provisions are wholly inapplicable.

In the second place, even though such an application were possible, the bill contains, in the specific provisions, elements which would defeat the purpose that I believe underlies the attempt here. That is, that it would create a greater degree of friction, would interfere with an amicable settlement of disputes in the industry, and would probably promote all the undesirable conditions that would otherwise be eliminated in a slow evolution of collective-bargaining relationships.

I believe, Mr. Chairman, I have no other particular point I wish to bring up.

The CHAIRMAN. We are very much obliged to you.

Senator MALONEY. Mr. Oliver, have you ever had any connection at all with the shipping industry?

Mr. OLIVER. Only externally.

Senator MALONEY. I meant internally.

Mr. OLIVER. I have never been a member of a union. I have worked for some organizations; yes.

Senator MALONEY. You indicated that you had not covered all the points of the bill that you thought might need correction.

Mr. OLIVER. Yes, sir.

Senator MALONEY. I wondered if you would like to submit, later on, something to the committee for the record.

Mr. OLIVER. I could draw up a list of similar inconsistencies.

Senator MALONEY. I think that would be a good thing for you to do.

Senator ELLENDER. That came to my mind, and I was waiting to suggest it.

Senator MALONEY. I think that would be helpful to us.

Mr. OLIVER. I will be glad to do that if the committee so desires. I think, however, such suggestions would only go to the point of showing it is impossible to transfer such things. I do not believe it would be possible to correct this bill in all its details so as to make it applicable to this industry.

The CHAIRMAN. The labor section, do you mean?

Mr. OLIVER. Yes, sir. However, I will be glad to do that if you wish it done.

The CHAIRMAN. I believe Senator Maloney particularly wishes you to do that.

Senator MALONEY. I wish you would.

The CHAIRMAN. I was impressed this morning, Mr. Oliver, with section 8, I think it was, of the standard agreement. It does seem to me that that might be hitched up to some method of handling things

that might give us a more simple procedure. It is very important if we can to have some arrangement by which these ships may continue to operate when there are disputes. If you are going to have a sit-down and trouble every little while, it is going to be extremely annoying. I had a telegram today from the west coast about a tie-up out there. Of course, it is intolerable to have that kind of thing going on and, unless we can find some way to avoid it and bring about peace, we have no encouragement to spend money in order to develop a merchant marine.

Mr. OLIVER. I should not like to venture a suggestion, Mr. Chairman, not having all of your experience, but it would seem to me you might find some method along this line: That, insofar as the bill contains the possibilities of limiting governmental aid to shipowners, such aid might be extended only to those maritime employers who have collective-bargaining relations with their employees, including this nonstrike proviso.

Senator MALONEY. I wish you would offer such an amendment in your language for our consideration.

Mr. OLIVER. I will be glad to do that.

Senator MALONEY. Mr. Chairman, Mr. Oliver is pretty conservative, and does not go as far as I do in that respect.

The CHAIRMAN. I was glad to hear him say that one could hold another view and still not be guilty of perversity.

Mr. OLIVER. I heard that discussion this morning, and I do not think it necessary to say to a man of your wide experience and knowledge that people with the background of trade unionists ought not to be expected to understand the fine distinctions contained in language that may be considered clear to a person of your position.

The CHAIRMAN. There is no ill-feeling so far as I am concerned.

Mr. OLIVER. I am sure of that.

The CHAIRMAN. Are there any other witnesses who would like to be heard this afternoon? [A pause, without response.] What about Mr. Lundeborg? Will he be here tomorrow?

Mr. PATRICK B. WHALEN. There were two or three men flying from the Pacific coast, including one of the officers off of the steamship *Hoover*. They were supposed to be here yesterday, but I have not as yet heard of their arrival.

The CHAIRMAN. Well, I certainly hope they won't be caught in any crash.

Mr. WHALEN. Will it be all right, Mr. Chairman, if we get word from them that they are on the way down here, or somewhere, like Cheyenne, for them to come before the committee at some later date?

The CHAIRMAN. Oh, yes; we want to hear them.

Mr. WHALEN. Thank you.

The CHAIRMAN. And we will hear them. The only thing to be considered is that there is difficulty about getting the attendance of members of the committees. You see, the members of these committees are also on other Senate committees, and it is oftentimes difficult to get them together.

Mr. WHALEN. I understand.

The CHAIRMAN. I am very anxious, and should like to say to the committees at this time, that we want to begin to write up this bill pretty soon. There are controversial matters, perhaps outside of the matters we have been discussing today, but I think the most

of the bill is noncontroversial. I think we will find when we get down to it that we will have no trouble. We will be glad, however, to hear others if they care to speak today.

Senator DONAHEY. On the merits of the bill, Mr. Chairman?

The CHAIRMAN. On the merits of the bill and on other features of the bill. I do not want to urge any witnesses to appear, but if they are so disposed we will be glad to hear them now. [A pause, without response.] Well, then, I think you better let us know when Mr. Lundeborg will be here.

Mr. WHALEN. I will do that as soon as I leave the committee room and can get in touch with those people.

The CHAIRMAN. Very well. We will stand adjourned at this time.

(Thereupon, at 4:45 p. m., Tuesday, January 11, 1938, the committee adjourned subject to call of the Chair.)

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AMENDING THE MERCHANT MARINE ACT OF 1936

SATURDAY, JANUARY 15, 1938

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met in executive session at 10:30 a. m., pursuant to adjournment, in the committee room of the Senate Committee on Commerce, in the Capitol, Senator Royal S. Copeland (chairman of the Senate Committee on Commerce) presiding.

STATEMENT OF REAR ADMIRAL H. A. WILEY, MEMBER OF THE UNITED STATES MARITIME COMMISSION, WASHINGTON, D. C.

The CHAIRMAN. We have before us a matter in connection with the training of seamen. We have several plans proposed. We have had the plan proposed, as spoken of in the report of the Maritime Commission; we have had the plan which is provided for in the pending bill; we have a plan which was presented to us by the Coast Guard. And I know that Admiral Wiley has given more study to this problem of training seamen than anybody else in the Government; it seems to me that he has. Admiral, we would appreciate it if, in your own way, you would present any matters that you have in mind, that might be of interest.

Rear Admiral WILEY. Where shall I begin, sir?

The CHAIRMAN. Anywhere you like. I know that you have a plan which you have had in mind for a long time. And it is very important to this committee, not only in connection with this bill, but also in relation to our other duties, to do what we can to promote the proper training of seamen.

Rear Admiral WILEY. Mr. Chairman, I have had brought here, for the information of the members of the committee, a very complete plan which you might study at your leisure, if you desire. I think there are six copies of it, as contained in this very complete folder, which I shall leave with you.

The CHAIRMAN. Yes.

Rear Admiral WILEY. It gives this plan very clearly.

The CHAIRMAN. Does this outline the plan?

Rear Admiral WILEY. Yes; it outlines the entire plan.

The plan consists of two parts. One is the training of recruits for 1 year, beginning with a training station. And, of course, a training station is necessary for the proper training of recruits; because they are drawn from all classes, and the first essential for

training is to teach young men to take care of themselves and to take care of their outfits. It was proposed that we should use Hoffman Island, in New York Harbor.

The CHAIRMAN. Perhaps not all the members of the committee are familiar with Hoffman Island. Will you state for the record where Hoffman Island is, and its size, and so forth?

Rear Admiral WILEY. It is a small island south of the Quarantine Station, off Staten Island. The island was formerly used as a quarantine station, and is very complete for our purpose, because it has 15 buildings, I believe.

The CHAIRMAN. Do you have a blueprint showing the general lay-out?

Rear Admiral WILEY. Yes; that is contained in that folder I am leaving with you.

The CHAIRMAN. Do you have an aerial photograph of it, as well?

Rear Admiral WILEY. Yes. I will leave this with you, too.

This property is being held by the Procurement Division of the Treasury Department, to be turned over to us—that is to say, turned over to the Maritime Commission if and when the Maritime Commission indicates that it desires it or requests it to be turned over. And of course that depends entirely upon whether the Congress authorizes this training, or not.

This training under consideration is divided into 3 months at the training stations where, as I say, young men will be taught to take care of themselves, and be set up properly and get general training along that line. The other 9 months would be on board ship. Our idea is that there are only two agencies in the United States that are properly equipped to train seamen: One is the Navy, and the other is the Coast Guard.

I am speaking for myself, but I am quite justified in saying that there is a unanimity in the Commission in regard to this question of the Coast Guard's being the proper agency for the training. I think that the reason the Coast Guard is the better agency is because the Coast Guard's duties are such that it is brought into intimate contact with the merchant marine. I might say that I am the Commissioner who has given the most attention to this problem, this being a part of my job.

As I say, the Coast Guard is in intimate contact with the merchant marine, and is working very closely with the merchant marine all the time. The nature of the duties of the men in the Coast Guard, at sea, is such that they certainly make hardy sailors. They have this ice patrol, they rescue the sailors of wrecked ships, they blow up derelicts, they engage in lifesaving. Certainly no duties at sea can be more conducive to making hardy sailors than those.

On the other hand, the Navy is entirely a military institution. When the Navy goes to sea, it goes to sea for the purpose of military drill. The ships of the Navy usually go in formation; it is the Navy's job to work along such lines as military drill and tactics. They have to be constantly maneuvering, when they go to sea. The Coast Guard does not stress so much the military part of their training; their military training is incidental, whereas in the Navy it is the principal thing. The Navy could not be efficient otherwise.

I think it will be conceded that either the Navy or the Coast Guard is eminently fitted to carry out this training for seamen, because

they are doing it constantly, with rather marked success; their whole personnel is practically built from the ground up.

The CHAIRMAN. Are there men in the faculty of the Coast Guard who are experienced merchantmen and men who have sailed vessels?

Rear Admiral WILEY. I understand that approximately 9 percent of their warrant officers and chief petty officers are ex-merchantmen.

Of course, being a Navy man, I am not trying to say that the Navy is not fitted for this task, because unquestionably it is eminently fitted for it. But I know there is opposition to the military training.

In addition to this training of recruits for 1 year, our plan contemplates training of the presently engaged merchant marine personnel for 30 days a year for such of them who enroll. They have to be regarded as fit for enrollment; and they get a bonus of 1 month's pay each year for 3 years, if they take the training for 1 month.

Senator CLARK. That would mean a month off and 13 months' pay during each year of those 3?

Rear Admiral WILEY. Well, they would get their pay as seamen. And when I say "seamen," that includes all the various departments and ratings; that term is used generally, in that connection, as all inclusive. They get their pay as merchant seamen, and then get the pay of the rating to which they are assigned as enrolled men in the Coast Guard. So that is a bonus of 1 month's pay for each of the 30-day periods for each of the 3 years.

The CHAIRMAN. That would necessitate cooperation on the part of the operators of the merchant ships, would it not? They would pay that month's wages, while the men were undergoing this training?

Rear Admiral WILEY. I think there is no difficulty about cooperation in that respect, sir.

Now, I do not consider the question of whether the unions are good unions or bad unions; that is immaterial so far as this particular point is concerned. I think we all acknowledge that training is essential. It is certainly considered very essential to make seamen in the Navy, and certainly they could not have good seamen in the Coast Guard unless some preliminary training is provided. The whole idea of the training is just this: That in time, you are going to raise the standards of skill, so that seamen know their jobs thoroughly; and then we are going to have these men in the enrolled service, which we call the United States Maritime Service. Of course, in time that will also furnish a large number of trained men, and a larger number than can possibly be furnished by simply a training system which undertakes to train 500 young men a year. It is admitted that there are large numbers of men at present engaged in the maritime service who need training. They are not seamen. And I say that with no reflection upon them as such.

If we are going to have a real, up-to-date merchant marine, then the personnel problem, to my mind, is the paramount issue. You can get all the ships that you need; if there is not money from private enterprise to build them, then the Government is authorized to build them. But you cannot buy talent unless you train it yourself. That is the whole idea of the training.

The CHAIRMAN. Does this plan contemplate doing away with the State schoolships?

Rear Admiral WILEY. No, sir.

The CHAIRMAN. They train officers, I assume?

Rear Admiral WILEY. That is the principal source of the officer material; we regard it so.

Oh, no; we have no thought of doing away with the State schoolships. Of course this is all in the formative stage; in the future, it may be considered desirable to introduce a National Marine Academy, which might take the place of the State schoolships. But we are not advocating that at this time.

Now, that is the outline of the requirements, as I think the training should be handled. I have read the bill that is introduced here, sir; and if I may take the liberty of saying so, I would suggest a change of section 216.

The CHAIRMAN. Is that the Treasury bill?

Rear Admiral WILEY. No; this is your bill, 3078.

The CHAIRMAN. That was sent down to me by the Coast Guard, was it not?

Rear Admiral WILEY. No; by the Commission.

The CHAIRMAN. By the Maritime Commission?

Rear Admiral WILEY. Yes.

The CHAIRMAN. What is the effect of the suggestion which you have?

Rear Admiral WILEY. I make the suggestion that if training is to be undertaken, then the Coast Guard should be named as the proper agency for doing the training.

The CHAIRMAN. And you suggest naming it in that section?

Rear Admiral WILEY. Yes; in section 216.

The CHAIRMAN. Are you suggesting the language?

Rear Admiral WILEY. Yes, sir.

The CHAIRMAN. This would be on page 31, and would be a new section 216?

Rear Admiral WILEY. No; that is just substituting certain language for some of the language as it is here, sir.

The CHAIRMAN. Yes.

Rear Admiral WILEY. The idea is this: While the bill as drawn says that any Government agencies may be used for this purpose, if I were in charge of the Coast Guard, I certainly would not want the responsibility, under the direction of the Maritime Commission, of doing this training, or starting out to do this training unless it were specifically stated in the act of Congress that this was the agency to be employed. I take it for granted that this Maritime Commission is a continuing agency, but the personnel is not; the personnel will be changing.

The CHAIRMAN. And the policies might change?

Rear Admiral WILEY. The policies will change, with the changing personnel. While the Coast Guard might start out and do a good job—and I am sure they always would do a good job, myself—why, new commissioners in there might say, "Well, now, why should we not set up an agency or bureau within this Commission, to do this job?"

And it would not be very successful; these agencies within agencies, you know, are not a very good idea, it seems to me.

Certainly the Coast Guard is the logical choice; it is logical to use something that has been successful, rather than to go to work to

set up something new, and perhaps change your methods and throw something out. You know as well as I do, that you cannot avoid politics coming into this sort of thing. I do not use that expression in any deprecatory sense at all; I mean that so many people have their own particular friends that I should imagine you gentlemen would be annoyed to death.

That is about all I have to say, Mr. Chairman.

The CHAIRMAN. Admiral, did you read the Treasury bill, that they sent down here?

Rear Admiral WILEY. That is the bill that we worked out, sir.

The CHAIRMAN. The impression I got about that bill was that it was too specific; it went into too much detail, it seemed to me, and I thought that it did not leave enough imagination to the faculty. What did you think of that?

Rear Admiral WILEY. Insofar as my experience goes, I am not versed in framing legislation. Personally, I think that the fewer details contained in any legislative act, the better.

Of course, Senator, a good deal of that bill, as submitted to you, deals with a bill that was introduced by Senator Gibson, but simply proposes a little different language.

It has reference to Senator Gibson's bill in regard to putting Coast Guard officers on board of our merchant ships whenever deemed desirable by the Secretary of the Treasury.

The point I desire to make, sir, is that if you are going to recommend this training, in the first place I do not think that just the training of 500 young men would suffice. For when you take 500 men to a training school, perhaps 400 or 350 of them will finish the year's course, because they drop out for various reasons, as you know, with casualties of different kinds. And in my opinion, the training of 500 young men each year will not accomplish your purpose; you have to couple up that training with maritime service.

I should like to read to you these changes that I have suggested in section 216.

The CHAIRMAN. Yes, sir.

Rear Admiral WILEY. Those suggested changes are as follows [reading]:

SEC. 216. (a) The Commission is hereby authorized and directed to establish a system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels to be administered by the United States Coast Guard which may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the United States Coast Guard may deem necessary to effectuate the purpose of this section.

(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service which shall be administered by the United States Coast Guard and consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section.

Then there is introduced here the ranks, grades, ratings—which is contained in your bill—and pay during training periods for the personnel of the Merchant Marine Service, and the statement that these ranks, grades, ratings, pay, and so forth, “shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard.”

The whole object of these changes that I have suggested, here, is to make it a part of the legislation that the Coast Guard, acting under

the direction of the Commission and for the Commission, shall be the agency to do this training, and that the Maritime Commission shall be the agency to pay the bills. That is the whole idea.

I understand there has been no opposition; in fact there has been marked approval by certain unions or the spokesmen for certain unions, with regard to a system of training.

The CHAIRMAN. Yes. They propose that the Maritime Commission and the representatives of the unions, I take it, or at least the representatives of seamen, should be brought together to organize a school.

Rear Admiral WILEY. In that letter to you, in answer to a request by you, I have said that I did not think a set-up like that would work. And here are the reasons why I think such a set-up will not work:

First, it is highly improbable that such a board or commission, as proposed for the service, would be at all harmonious.

The CHAIRMAN. Before you make your statement, let us put in the record what the recommendation was, so that one who read this record of today may know what it is you are discussing. That matter is contained on page 433 of the testimony of Mr. Emerson.

(The matter referred to is as follows:)

(a) The Commission is hereby authorized and directed to appoint a board of 10 members, 5 persons to be representatives of the Commission and 5 persons to be representatives of the labor organizations involved, which board shall establish, under such rules and regulations as it may prescribe, a system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and shall employ as instructors such qualified licensed and unlicensed personnel from the merchant marine as the board may deem necessary to effectuate the purposes of this section.

(b) The board is authorized and directed to determine the number of persons to be enrolled for such training, to fix the rates of pay of such persons, and to prescribe such courses and periods of training, as in its discretion is necessary to maintain a trained and efficient merchant marine personnel; provided, however:

(1) That in the enrollment for such training, preference shall be given to those persons who have been employed in the merchant marine as seamen and who do not meet the standards required by the present laws or who desire further training;

(2) The rates of pay for the persons enrolled for training and for the practical instructors shall be at least equal to the prevailing wages for similar class of work in the merchant marine and for theoretical instructors, the rates of pay may be on a contract or fee basis.

Rear Admiral WILEY. Yes; his recommendation was for the appointment of a board of 10 members, with five of them to be representatives of the Commission and five to be representatives of the labor organizations involved, and that this board would establish the system of training for licensed and unlicensed personnel on American merchant vessels, and so on.

The CHAIRMAN. Yes; that was his recommendation. I take it that you are going to present to us your objections to that?

Rear Admiral WILEY. I consider that such a set-up will not work, for the following reasons:

First, it is highly improbable that such a board or commission, as proposed, for the supervision of this training would be at all harmonious.

Second, even if harmonious, it would have to set up a large staff to carry on the actual training and this staff would be composed of

men chosen by the unions. The question naturally arises, what unions? The National Maritime Union does not represent all seamen, hence more strife.

Third, it does not follow that members of unions, even if of first-class caliber as seamen, would be good instructors for training others.

Fourth, It seems illogical to set up an untried agency at great expense to train seamen, the individual members of which may each have different ideas and therefore apt not to do a good job, when there are existing Federal agencies fully equipped to do the training and by long experience have had marked success in so doing.

I therefore feel that if training of fresh young men for the merchant service is to be undertaken, and this training augmented by the training of presently engaged seamen, it should be done by either the Navy or the Coast Guard. It should be remembered that training has two objectives: First, to raise the standards of skill and thereby thoroughly teach seamen their jobs; and second, to instill into them a high sense of duty and loyalty to their calling and prompt obedience to the orders of the master and the officers placed over them. Both the Navy and the Coast Guard are eminently fitted for doing this, in fact are doing it constantly for the respective services. I for one, and I feel justified in saying my associates on the Maritime Commission are in accord, prefer the Coast Guard for the purpose of training for the merchant service for the following reasons: First, the Coast Guard is in close touch with the merchant marine; second, the duties of the Coast Guard at sea are such that by their very nature, such as the ice patrol, aiding ships in distress, rescuing seamen, destroying derelicts, and so forth, produce hardy sailors; and third, the Coast Guard does not and cannot emphasize the military as the Navy does and should. The latter is a purely military organization and at sea carries on purely military routine as it should to be efficient, which it is. While each of these services maintains discipline, the Coast Guard is freer to give more attention to the job of training than the Navy is.

In addition, I may say that the more the Navy keeps away from side issues, the better it is; they have enough to do with their own jobs. And this proposed training job is right in line with the Coast Guard's duties.

In this connection, it should be remembered that we are now in the midst of building up a great defensive sea power, of which the merchant marine must be regarded as an essential part. It is unquestionably, therefore, a Federal function to see that this auxiliary is efficient, not only for carrying on commercial functions but to be ready to take its place in the performance of the essential duties of a naval auxiliary in time of emergency.

The CHAIRMAN. Why do you say that a merchant marine is essential to the development of a navy?

Rear Admiral WILEY. It is a part of sea power; you cannot run the Navy in time of war, without auxiliaries.

The CHAIRMAN. I saw a statement, yesterday, that the Navy would need 1,200 merchant-marine vessels, in order to carry on its activities properly.

Rear Admiral WILEY. Of course, I am a little out of touch with the latest requirements of the Navy in that respect. But at least, they

need a very efficient, modern merchant service, with proper proportions, as auxiliaries.

The CHAIRMAN. When you say that they need it, do you mean it is absolutely essential?

Rear Admiral WILEY. Absolutely essential to the proper performance or the proper use of the Navy in time of emergency. You cannot get along without it.

The CHAIRMAN. Do we have enough ships under the American flag today, to render that auxiliary service?

Rear Admiral WILEY. We do not have enough modern ships; we are very deficient in that respect.

The CHAIRMAN. We have 417,000 tons of all sizes of merchant ships under 10 years of age, and that is all we have.

Rear Admiral WILEY. Of course that includes all sizes, and ships of varying tonnages.

The CHAIRMAN. However, the total is only 41 ships.

Rear Admiral WILEY. Yes.

The CHAIRMAN. While the British have 704 ships, Germany 132, Japan 115, France 64, Italy 42, and the United States 41.

Then, as regards tonnage, the British have 4,407,000 tons; Germany, 947,000; Japan, 740,000; France, 500,000; Italy, 433,000; and the United States, 417,000—one-tenth of the British strength.

Senator THOMAS of Utah. If our Navy is equal to the British Navy in tonnage but our merchant marine is only one-tenth of the British merchant marine, is that difference great enough to make our Navy less effective than the British Navy?

Rear Admiral WILEY. Speaking as a merchant marine commissioner, I prefer not to give any expert opinion on that.

Senator THOMAS of Utah. Would we have competition with the transport service, in getting ships, in case we should have a large task to do again? The Army also needs transports, of course.

Rear Admiral WILEY. Yes. And they are very badly off, so far as transports are concerned.

Senator THOMAS of Utah. So if we went to war tomorrow, we would have to make as many mistakes as we made during the World War, in view of that situation?

Rear Admiral WILEY. We would have to have many more ships.

Senator THOMAS of Utah. And that would mean that we would probably get emotional and build more ships?

Rear Admiral WILEY. Very likely.

The CHAIRMAN. One of our difficulties today is that we built poor ships during the World War, and now we are having difficulty getting rid of them or trying to use them.

Senator THOMAS of Utah. During the World War, those of us who saw the mobilization in its various phases, and then in later years the bringing together of the C. C. C. camps, learned that so far as the Army is concerned, they have actually learned something, whether they know it or not, as the result of the war, in the way of handling and organizing men. Could we say the same of the Navy and Coast Guard and other marine organizations? Could we do a job today, comparatively as much better as the job the Army did in connection with the setting up of the C. C. C. camps, do you believe?

Rear Admiral WILEY. Well, I should think we should; we are not very good if we could not.

Senator THOMAS of Utah. We have increased personnel efficiency, have we?

Rear Admiral WILEY. Oh, undoubtedly we have, I think. I think the Navy's personnel efficiency is becoming greater all the time. Of course, I have been out of the active service for 9 years; but that is my belief of the situation.

Senator THOMAS of Utah. Could you say that for our merchant marine, too?

Rear Admiral WILEY. Today?

Senator THOMAS of Utah. Yes; comparatively speaking?

Rear Admiral WILEY. No; I would not say that. No, sir.

Senator THOMAS of Utah. It has not kept up the pace?

Rear Admiral WILEY. No. I think a great many good seamen have left the sea.

And in that connection, it seems to me that we need to consider the officers as well as the seamen. I do not think the officers are up to the mark. There is so much division of authority, you know, that no one agency is responsible for these things and for the efficiency; and consequently the situation is not good. That is always the case where there is divided authority or lack of authority.

The CHAIRMAN. It is all rather haphazard, is it not?

Rear Admiral WILEY. Yes; rather bad. I am glad you asked that question. Because I think that even though we do this training in both parts, as I have suggested, unless we do away with these private hiring halls, we are not going to make the progress that we should.

It was the same when the owners had these hiring halls, you know. Now that the seamen have the hiring halls, it is just as bad. There is always bitterness and you are not going to have discipline unless you have some decent feeling, unless your relationships are decent.

Speaking as a naval officer, experience in going to sea was about the only thing I knew, when I was in the service. And at sea, discipline is not based on carrying out or exercising authority under harsh laws. The discipline in the Navy is based on a decent understanding and fine relationship between the men and the officers.

Senator THOMAS of Utah. Is not that the case in every walk of life?

Rear Admiral WILEY. It should be.

Senator THOMAS of Utah. And even in the Army, does not discipline fall down if you do not have that?

Rear Admiral WILEY. Of course. I am only speaking for the Navy, but I take it for granted that the Army is the same.

But that condition does not exist in the merchant service. It is not the fault of the men any more than it is of the owners. The officers are placed in a very, very undesirable position; because they never know whether the owners are going to support them or not, if they have to take rather severe measures.

The CHAIRMAN. They are inclined to think that the owners are not going to support them, are they?

Rear Admiral WILEY. Sometimes they have every reason to believe that they will not.

Now, we have authority to do a great deal toward making the owners more tolerant and sensible and less stupid; but we do not have any authority to do anything about either the licensed or the unlicensed personnel. I think we should have that authority. I think all the functions that pertain to the seagoing personnel should come under the authority of the Maritime Commission. It is charged with responsibility for seeing that we acquire a modern, efficient merchant marine, manned by trained and efficient personnel. Of course, that means a disciplined personnel. But we do not have any authority whatsoever to do anything other than see that the sailor comes into his own. But we cannot do anything toward disciplining him. And when I say "the sailor," that term includes the masters and the officers.

The CHAIRMAN. Admiral, you spoke about the hiring halls. The navigation laws are very specific in placing the responsibility for the selection and providing of personnel upon the shipping commissioners, are they not?

Rear Admiral WILEY. Yes, sir.

The CHAIRMAN. But in these contracts which are being made between the C. I. O. and the various shipping companies, the hiring hall is recognized, and dependence is placed upon it for supplying the men. In short, the owners have consented to waiving the law; and they have no right to do that, when they make a contract. But the result of the system, as I understand it, is this: While it is denied by the unions that they want the strict rotation system, the fact remains that actually they are using a kind of rotation. Therefore the shipmaster or the ship company are no longer sure they can retain men who have been with them for years; they must put them "on the beach," as the phrase is, and bring in men from the hiring halls to take their places.

Now, does that plan make for well-selected and efficient personnel?

Rear Admiral WILEY. It certainly does not, sir.

In carrying out such authority as we have under the Maritime Act of 1936 in regard to the minimum manning and wage scales and working conditions for the subsidized vessels, we still continue to run 38 ships for the account of the Commission, by managing agents. And with those ships and the ships that we subsidized, we have done what we could to offer inducements, or we have offered inducements, for a continuous service. But I do not know whether or not it will be effective. Of course, it could not be effective if this thing goes on. I would not like to have myself placed, as Commissioner, in the position of being an antiunionist. I have been placed out in front in that position before. But as a matter of fact, I am a pretty good organized-labor man. I am a good friend of the workingman—probably one of the best friends the sailor had, during my service in the Navy. I am still a friend of the sailor. The sailor will never come into his own unless these private hiring halls are done away with. He does not get fair treatment. He would not get fair treatment under any system such as is working today, regardless of who are the leaders or the so-called leaders. After all, it seems to me that this is a Federal function, and consequently the Government should look out for the sailorman and build up his morale. What I suggest does not in any way interfere with any legal right of any labor organization. And I feel that they can ask for no more.

Senator THOMAS of Utah. Admiral, would you mind taking a minute to tell us how the hiring hall worked when the owners administered it?

Rear Admiral WILEY. They used a book. As I understand, it was called the bluebook. You understand that what I say is only what I have been told; I am not an authority on this matter.

And, under those conditions, the sailor was not allowed on board any ship belonging to the Ship Owners' Association unless he possessed one of those books. In other words, it was a closed shop, on either side.

Senator THOMAS of Utah. I see.

Rear Admiral WILEY. Then along came this general strike on the Pacific in 1934; and that strike was settled by a board. The board provided in its settlement that in the future the hiring hall for the seamen should be under joint control. Incidentally, this was the situation on the west coast, you understand. I am speaking of the settlement that was made out there.

And in connection with the joint control that I just spoke of, it was provided, as I recall, that there should be three members representative of the unions and three representative of the shipowners. That is my recollection; I may be mistaken regarding the number. But the dispatcher was to be a representative of the unions. Well, through this joint-control device, the unions wrested control of the hiring halls; because the dispatcher is the man who sends the men down to fill vacancies or to be taken aboard ship. If the master should send back one of those men and say, "We prefer somebody else; we know this man and know that he is not efficient for this job," then the reply would be, "There is nobody else to send."

You can understand that situation; that is an easy way of avoiding it.

But it appears to me that there is no justification for violation of the Federal law, whether the unions want it or whether the shipowners want it.

All of the suggestions that I make are suggestions that, in different language, have already been made before your committee, sir, by old Andrew Furuseth. And you gentlemen who knew Andrew Furuseth know that he was a very fine, honorable gentleman.

The CHAIRMAN. Oh, yes; a wonderful man.

Rear Admiral WILEY. He was always working for the uplift of the sailor.

He is the man who deserves, and receives, I suppose, except from these modern leaders, the credit for having taken the sailor out of chains, as the saying is.

The CHAIRMAN. He was responsible for the La Follette Act.

Rear Admiral WILEY. I should just like to read to you here, in that connection, one of the recommendations I am making as to the amending of section 4508 of the Revised Statutes, which deals with the general duties of a shipping commissioner. There is only one change from what it is at present. [Reading:]

SEC. 4508. The general duties of a shipping commission shall be:

First. To keep a register of available seamen.

Second. To afford facilities for engaging seamen by providing a shipping office exclusively under his control, where masters of vessels may choose their crews and where seamen may choose such engagements as are available to

them. Engagements for sea service shall be made in no other way except in such cases as are authorized by existing law or as amended by this Act.

Third. To superintend the selection and the shipment and discharge of seamen on domestic vessels in ports of the United States and in the manner prescribed by law.

Fourth. To facilitate the making of apprenticeships to the sea service.

Fifth. To perform such other duties relating to merchant seamen or merchant ships as are now or may hereafter be required by law.

We would propose to make his duties more embracing. One reason, among others, why they never carried out their duties as laid down by the law is that they never had any facilities, and this is to afford facilities for providing seamen by providing a shipping office exclusively under his control, where masters of vessels may choose their crews and where seamen may choose such engagements are available to them. [Reading:]

Engagements for sea service shall be made in no other way except in such cases as are authorized by existing law or as amended by this Act.

This is the second one of the duties laid down for shipping commissioners. The first one is the same as provided for by statute now.

Senator THOMAS of Utah. The shipping commissioner would be in charge of the hiring hall?

The CHAIRMAN. That is the law now.

Rear Admiral WILEY. It is not so interpreted now, and it has not been carried out. I am only asking that this be made more specific, to make it mandatory that he shall have proper facilities, just the same as a large employment agency, where anyone who is seeking employment can go up and be decently comfortable while waiting for engagements. The law does not say that at the present time. I think it is on page 48, Senator.

The CHAIRMAN. Admiral, did we not have that sort of arrangement at the time when former Mayor Kline, of New York, was in charge of hiring in New York for the Shipping Board?

Rear Admiral WILEY. Well, I am not informed on that subject.

Is not that law on page 48?

The CHAIRMAN. Yes. It reads:

Shipping officers: The general duties of a shipping commissioner shall be:

First. To afford facilities for engaging seamen by keeping a register of their names and characters.

Second. To superintend their engagement and discharge in manner prescribed by law.

Third. To provide means for securing the presence on board at the proper times of men who are so engaged.

Fourth. To facilitate the making of apprenticeships to the sea service.

Fifth. To perform such other duties relating to merchant seamen or merchant ships as are now or may hereafter be required by law.

Do you mean before 1934, Senator?

Senator THOMAS of Utah. Originally; yes. Then the practice which was started by the owners was taken over by the labor unions and was perpetuated.

Rear Admiral WILEY. That is what it amounts to; yes.

Senator THOMAS of Utah. Neither practice is within the law?

Rear Admiral WILEY. Neither one is within the law; no.

Senator THOMAS of Utah. Are both practices antagonistic to the law?

Rear Admiral WILEY. They are antagonistic to the merchant marine, and they are antagonistic to the welfare of the sailor. The sailor has always been exploited, you know.

Senator THOMAS of Utah. And he will be unless something is done to correct the situation.

Rear Admiral WILEY. I think we ought to do all we can to see that he is not exploited any more than can be helped.

The CHAIRMAN. Let me ask Admiral Hamlet a question.

Did we reach any conclusion as to whether or not the hiring hall as proposed in these contracts was violative of the law?

Rear Admiral HAMLET. I can perhaps explain that in this way: The hiring hall that Admiral Wiley speaks of, operated by the owners, was in a case on the west coast, *Anderson v. Ship Owners Association*, 272 U. S. 359, held to be a combination in violation of the Antitrust Act. The decision of the lower court was reversed, and the case was remanded to the district court for further proceedings in accordance with that opinion. It is my understanding that the case was again tried in the lower court, where the judge held that there was not sufficient evidence.

I believe there has been no decision in the case of hiring halls operated by the unions. I was told about 2 years ago that there was a case before the Federal court in San Francisco, bearing upon its legality, but I have not heard as yet what the decision was.

The CHAIRMAN. The other hall—the owners' hall—has been decided to be illegal?

Rear Admiral HAMLET. It has been decided that it was a combination in violation of the Antitrust Act.

Senator THOMAS of Utah. Do you remember what court declared that?

Rear Admiral HAMLET. It was the Supreme Court of the United States.

Senator THOMAS of Utah. How can it be explained, then, that if the owners realize it is an illegal proposition, the unions, who must realize the same thing, continue this practice? Is it just because it was based originally on the closed-shop idea?

Rear Admiral WILEY. I think I might partially explain that, Senator. If you were engaged in a business—and this may sound to you as though I were a shipowner, but I think some of them are as stupid as they can be, and they have got to be reformed also—if I were a shipowner, running a private enterprise, and there was no way for me to keep my ships moving or to contract for freight and passengers unless I made an agreement with these unions, I would make them, wouldn't you? Of course, I would try to make the best contract I could, but I would make one.

Senator THOMAS of Utah. If I had been ruled outside the law, and the group that I was contesting with the hardest should come along and I could suggest to them that they also were breaking the law, probably there would be settlements.

Rear Admiral WILEY. I think the shipowners probably feel that they have not got any friends, and they are not engaging in any more contests than they have to.

The CHAIRMAN. They are just giving in.

Senator THOMAS of Utah. But giving in in a rather subtle way in this case.

The CHAIRMAN. Article VI, section 1, of an agreement between the Black Diamond Steamship Corporation and the National Maritime Union of America, which appears on page 420 of part 6 of the hearings, reads:

Section 1. While this agreement is in force, the company agrees to secure all the unlicensed personnel required for the manning of its vessels through the hiring halls maintained by the union exclusively, and the union in turn agrees to furnish men who are properly certificated under the law.

So, if the owners were outside the law before, both the owners and the unions are outside now.

Admiral, I should like to ask you a question here, because I want the full answer to appear in the record, if I can get it. I want to read to you a criticism by the union of the Coast Guard as the training agent of the men. I asked Mr. Emerson, the representative of the union, this question, which appears on page 433 of part 6 of the hearings:

Why do you object to having the training done under some system of supervision by the Coast Guard?

Mr. Emerson said:

I do not see why we should drag the Coast Guard into this. They are primarily a lifesaving organization and are also to help commerce in disaster. They have a nice little organization working up and down the coasts.

I take it that in time this would mean that they would have to enlarge to such an extent that they would be in complete turmoil.

Another thing: I would like to see the Coast Guard with its present staff and personnel try to train stewards and cooks for large trans-Atlantic liners. The Coast Guard does not have the facilities.

If we are going to ask the Coast Guard to do this, we might as well set up a separate agency, such as we propose here, where it will not interfere with the Coast Guard or anything else.

We have a Maritime Commission the duty of which is to see that ships are manned by efficient and well-trained crews. Therefore, why should not the Maritime Commission have jurisdiction over that? Why bring in a branch of the service which has all it can do and which is not equipped to do this work?

Would your plan contemplate the training of stewards, and so forth?

Rear Admiral WILEY. Yes.

The CHAIRMAN. Would that create so much turmoil as to destroy the Coast Guard Academy?

Rear Admiral WILEY. Well, Senator, we do not propose to train them at the Coast Guard Academy, to begin with.

Naturally, I do not take this criticism very seriously. If you want me to give you a short answer to it, I would say that I do not see the real foundation for this objection. It is not going to interfere with the Coast Guard's duties.

This is what is going to happen: So far as the Coast Guard is concerned, the Coast Guard is going to expand its personnel somewhat. That goes without saying. I suppose there are people who will object to that. Maybe you will find naval officers who would find a little objection to it, but I just do not happen to be one of them.

After all, the Coast Guard, in time of emergency, merges into the Navy. The Coast Guard and the Navy become one force, so what is the difference? The Coast Guard has its peacetime duties, and

the Navy has its peacetime duties. In time of emergency they perform the same duties. So, I do not see that there is any substance in anything like this.

The CHAIRMAN. The milk in the coconut is this: These men are fearful that if some government agency takes over the training of personnel there will be indoctrination of the students with teachings that may be considered antagonistic to the union ideas. Is that not so?

Rear Admiral WILEY. I suppose so; yes, sir.

The CHAIRMAN. At any rate, that is the impression I have.

Rear Admiral WILEY. Of course, it is not for me to judge of the soundness.

The CHAIRMAN. No; I will admit responsibility for believing that that has much to do with it. I am not criticizing them if they are thoroughly devoted to this idea. If they are, why, of course, they must play their game.

Rear Admiral WILEY. I do not advocate here anything to improve the personnel of the merchant marine as a person opposed to organized labor or to unions; I think they are necessary and very essential. But if it is a question of whether we are going to look out for the sailorman or whether we are going to help the unions to organize, I am for the sailorman. That is my position.

The Congress of the United States has taken the sailor man out of chains, as the saying is, and has given him some very liberal navigation laws, but he still does not know where he stands.

Some of these sailors, I am told—of course, I have not seen it—carry two books, and they use the book that is expedient at the time. It may be an A. F. of L. book or a C. I. O. book. That is a bit of a burden.

I think when the unions have been given certain rights under laws passed by the Congress, if we have got to have an efficient merchant marine, we should take such action as is necessary to have one, so long as we do not violate any of the laws that are passed in the interest of organized labor.

The CHAIRMAN. Admiral, we are deeply obliged to you for giving us these views. Do you have anything further that you wish to say at this time?

Rear Admiral WILEY. I have nothing more to say sir, except that, if you have no objection, I should like to leave another copy of this letter which I wrote. Perhaps Senator Thomas might want it.

The CHAIRMAN. Why not have it included in the record?

Rear Admiral WILEY. Just as you like, sir.

Here are the changes I have suggested. I should like to make it clear that I am only speaking for myself; I am not speaking for the Commission.

(The copy of letter from Commissioner Wiley to Senator Cope-land, together with the chart attached, are to be inserted in the record at this point.)

DECEMBER 27, 1937.

HON. ROYAL S. COPELAND,
Chairman, Commerce Committee,
United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: While your honorable committee is giving consideration to certain suggested amendments to the Merchant Marine Act, 1936, I have the honor to submit for the consideration of the committee certain views

on the subject of training and the restoration of discipline on board our merchant ships. I consider the personnel question of paramount importance.

I understand that in neither hearings before your committee nor before the House committee has any opposition to training of our merchant marine personnel developed. On the contrary, it is my understanding that Mr. Joseph Curran, speaking for the unions comprising what is known as the National Maritime Union, is quoted as saying before the House Committee on Merchant Marine and Fisheries on December 10, 1937, "We are not against training ships. In fact we are in favor of them * * * under certain conditions." And again, "It is perhaps not wholly untrue that there are some boys and young men employed on ships who have not had the training which we feel they should have." And again, "That a period of sea training for boys interested in the sea as a trade and a profession would benefit the merchant marine we have no doubt. The unions, as entities best fitted to give this training, are quite willing to cooperate with the Government of the United States in establishment of schools."

It appears, therefore, that in the view of the unions for which this gentleman speaks, there is not only no opposition on their part to training recruits or presently engaged merchant marine personnel, but that such training would benefit the merchant marine. That it should be done, and done forthwith, I hope your honorable committee will agree.

Mr. Curran offered strong opposition to the Coast Guard as the agency to be used for the purpose and made eight suggestions as representing the views of the National Maritime Union. The meat of these ideas is to be found in points one and eight. Point one is, "That such training be conducted under the supervision of a board representative of the Maritime Commission and the unions involved." Point eight is, "That all instructors be taken from the ranks of bona fide unions and that they shall be paid a prevailing wage for the highest grade of work for which they are qualified aboard ship." I need hardly tell you that such a set-up as this could not possibly work.

As against such suggestions as the above, I urge that if training is to be authorized, and I strongly recommend it, the Commission should be required to employ the Coast Guard for the purpose and that it (the Coast Guard) should be so designated by the Congress. That the Coast Guard is eminently fitted for this undertaking there can be no doubt. In support of this view I desire to repeat what the Secretary of the Treasury has already said to your committee:

"(a) The Coast Guard has had 147 years' experience in the handling and training of seamen, throughout which period there has been considerable interchange of personnel between the Coast Guard and the merchant marine.

"(b) It has a personnel theoretically and practically trained for the duty. Approximately 130 commissioned and warrant officers of the Coast Guard have had service in the merchant marine.

"(c) It has the volume of personnel to insure the necessary rotation of instructors to prevent staleness, and to select, if necessary, by trial and error, instructors temperamentally and otherwise qualified.

"(d) It has many facilities already available

"(e) The training for the merchant marine should be similar in many respects to the training given officers and men for the Coast Guard peacetime duty of saving and protecting life and property, and enforcing the navigation and other laws on the sea. By reason of these duties, the Coast Guard and the merchant marine are closely associated.

"(f) It has a well established Coast Guard Institute, which provides to officers and enlisted men correspondence courses for all seagoing ratings. These courses are obtained from the International Correspondence Schools and other sources and they can be made available to merchant marine personnel.

"(g) It has authority by law to enforce all Federal laws, rules, and regulations on the high seas and navigable waters of the United States (except rivers and small inland waters), and to make the necessary inquiries, examinations, inspections, searches, seizures, and arrests, for that purpose."

The Secretary of the Treasury has also said to your committee that, "As a result of a very careful study in collaboration with the members and staff of the Maritime Commission, the Coast Guard feels that the best plan tending toward the solution of the personnel problem of the merchant marine consists of three interrelated parts, and that the adoption of only a part of the plan would be of doubtful benefit. It contains no compulsory features and merchant

seamen may or may not, as they desire, take advantage of the provisions offered. The three parts of the program are:

"(a) The training of new men for the merchant marine as replacements.

"(b) The establishment of an organization, which may be called the United States Maritime Service, to give certain economic and other benefits to qualified personnel of the merchant marine, in order to raise the standards and economic conditions of these men, and to make service in the merchant marine so attractive that our ships will be manned by experienced, reliable men.

"(c) Authority to assign Coast Guard officers to merchant ships, in order to determine the results of and to improve the training, and to coordinate and adapt such training to the requirements of the merchant marine; and to observe the working and living conditions of the personnel; and also, to observe the conduct at fire, lifeboat, and other drills, and to report violations of the laws relating to seamen, customs, immigration, navigation, and shipping, when the vessel is at sea or beyond the territorial limits of the United States."

A bill covering this matter, worked out by the Coast Guard and the Maritime Commission, was submitted with the letter of the Secretary of the Treasury.

I am the Commissioner who collaborated with the Coast Guard in the preparation of the course of training and of a bill for you to consider. I urge the passage of this bill. The chairman of the Commission said in the economic survey report made to the Congress on November 10, 1937 that, "The Commission has given consideration to a more comprehensive program affecting the existing personnel. It has considered the establishment of a maritime service, which members of the existing personnel of the American merchant marine could join after having successfully completed a course of training. Under the proposed plan, the enrollment would involve no element of compulsion; men would be encouraged to join by the payment of at least 1 month's pay per year to those enrolled in the service, as well as payment during the period of training." Unfortunately, the report ended with the following: "The Commission is of the opinion that such a program should not be undertaken, however, until there has been further opportunity for study." Some time has passed since then. There has been ample time and opportunity for study of this matter. I am confident that no amount of delay or further study of this matter will bring out any constructive suggestions. It is a substantial and necessary part of the training plan. If not authorized, it is hardly worth while to authorize the training of 500 young men for 1 year in the Coast Guard. Such training alone would be of little value to the merchant marine.

Much has been said and published about the lack of discipline on board our merchant ships. It has unquestionably, generally speaking, been bad. It does not help the service to publish to the world a bad state of discipline and do nothing to correct it. I need not tell you that without discipline and high-class service the most modern ships can never capture the trade to which we should be entitled, and certainly they will not constitute an efficient naval auxiliary.

My studies of this problem have been based on the sound premise that the Commission must, if we are to have an efficient merchant marine, accomplish in this connection two things: (1) The Commission must see that the seaman comes into his own. He has been too long neglected. (2) That he is properly trained and disciplined, taught his job, and inspired with a sense of duty and loyalty to the job and his ship. The Maritime Commission is fast accomplishing (1). Its efforts are directed toward good minimum wages, proper working conditions, and the best living conditions that can be provided. This includes not only ample, sanitary, and comfortable quarters, but food of the best; scrupulous regard for his rights, and such privileges and healthful diversions as are compatible with a proper performance of duty. Photographs of the lay-out of quarters on our recent design of freight ships are enclosed.¹

If, as it should be, the Maritime Commission is to be held responsible for the efficiency of the seamen who man our ships, the machinery for accomplishing this should be in its hands. That machinery must be effective. Under present laws the Commission has no authority by which it may improve discipline or skill on board ship. By putting the training plan into operation we shall in time improve the standard of our seamen. If the plan works, and I feel that it will, the training can and should be expanded. In my opinion, however, the restoration of discipline and skill to our ships will be long delayed without authority in the hands of the Maritime Commission to control it, insofar

¹ Not printed; on file with the committee.

as practicable. In the meantime, if this is not done, our merchant marine will drop further in general esteem.

As the proper steps in this direction, I suggest the following:

1. Amend revised statutes 4501 (46 U. S. C. 541), by changing the words "Secretary of Commerce" to read "United States Maritime Commission."

2. Amend section 4503, Revised Statutes, by adding at the end thereof a new sentence, to read as follows: "Nothing in this section or in section 4507 of the Revised Statutes, as amended, shall be construed to prohibit the shipment or discharge of seamen in a place other than a customhouse or a shipping commissioner's office so long as it is selected and exclusively controlled by the Federal officer authorized by law, and any such place shall be deemed a public office."

3. Amend section 4506, Revised Statutes, to read as follows:

"Sec. 4506. The general duties of a shipping commissioner shall be: First. To keep a register of available seamen. Second. To afford facilities for engaging seamen by providing a shipping office exclusively under his control, where masters of vessels may choose their crews and where seamen may choose such engagements as are available to them. Engagements for sea service shall be made in no other way except in such cases as are authorized by existing law or as amended by this act. Third. To superintend the selection and the shipment and discharge of seamen on domestic vessels in ports of the United States in the manner prescribed by law. Fourth. To facilitate the making of apprenticeships to the sea service. Fifth. To perform such other duties relating to merchant seamen or merchant ships as are now or may hereafter be required by law."

In addition, I strongly recommend the transfer of the jurisdiction over the licensed and unlicensed personnel now vested in the Department of Commerce (Bureau of Marine Inspection and Navigation) to the Maritime Commission. Such a transfer would give the Commission control over the issuing and suspension and revocation of licenses for deck and engineroom officers and of certificates of service to all unlicensed members of the crew. Licensed personnel needs jacking up as well as unlicensed personnel. The Commission cannot develop a well-trained and efficient citizen personnel with existing lack of authority.

Attention is invited to a statement made by Andrew Furuseth before your committee in May 1935: "We ask that all the men shipped in vessels, except those operating within the same State, or who serve on car ferries or on ferry boats shall be shipped in the shipping commissioner's office, and shall be selected by the master, or such officer as he chooses to send for that purpose, so that there will be nobody coming between him and the seamen. There will be no opportunity for 'crimping' no matter whether it is respectable or not, because there are 'crimps' who think they are very respectable." As late as February 14, 1936, the Seamen's Union of America, of which he was president, in convention in Washington, D. C., adopted a declaration: "Declaration for the development and support of the American merchant marine." One article of this declaration reads as follows: "7. Require that seamen be shipped only through authorized Government shipping commissioners. Abolish all private discharge books and substitute therefor discharge books to be issued to the seamen by the Government." I need not remind you, if you knew old Mr. Furuseth, that he was ever working for the sailorman. He was a wise man and realized that if we are ever to have peace in the merchant marine industry, with the seamen and the shipowners sharing the benefits bestowed by the Government and of success in this industry, the friction and existing bitterness between shipowners and unions must be removed. Decent and harmonious relations will never exist so long as hiring halls for seamen are under control of either.

It is my reasoned opinion that if the plan I submit is adopted, the traditional smartness of American ships will, in time, be restored. The unions concerned will, no doubt, not welcome the strengthening and the enforcement of the law which requires shipping commissioners to control hiring halls for seamen, but, if honest, they will eventually look upon this procedure as a real boon to the seamen.

In closing, I hope I may be pardoned for adding a personal note. My mature life has been spent in handling personnel afloat and ashore. I know sailors. What they like is a taut ship. A taut ship is one on which discipline is exacted and maintained by the master, coupled with consideration and absolute justice toward subordinates. Until we have taut ships we shall not have a merchant

marine worth the money spent upon it. I am confident that my program will insure such ships within a reasonable time. To attain this end is my object.

Faithfully yours,

(Signed) H. A. WILEY,
Commissioner.

(The amendments referred to are to be inserted in the record at this point.)

SEC. 216. (a) The Commission is hereby authorized and directed to establish a system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels to be administered by the United States Coast Guard which may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the United States Coast Guard may deem necessary to effectuate the purposes of this section.

(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service which shall be administered by the United States Coast Guard and consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. The ranks, grades, ratings (and pay during training periods) for the personnel of the Maritime Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Commission is authorized and directed to determine the number of persons to be enrolled in the Maritime Service, to prescribe the amount to be expended for this service, including retainer pay for enrolled members, and to prescribe such courses and periods of training as may be determined by the Commission and the United States Coast Guard to be necessary to maintain a trained and efficient merchant-marine personnel.

(c) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section.

The CHAIRMAN. Thank you, Admiral. The committee will stand adjourned until Monday.

(Whereupon an adjournment was taken until Wednesday, January 19, 1938.)

AMENDING THE MERCHANT MARINE ACT OF 1936

WEDNESDAY, JANUARY 19, 1938

UNITED STATES SENATE,
COMMITTEE ON COMMERCE, AND
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C.

The committees met, pursuant to adjournment, at 11 o'clock in the Commerce Committee room, the Capitol, Senator Royal S. Copeland (chairman of the Commerce Committee) presiding.

Present: Senators Copeland (chairman of the Commerce Committee, presiding), Thomas of Utah, (chairman of the Committee on Education and Labor), Bailey, Clark, Radcliffe, Berry, and Vandenberg.

Senator BAILEY. The chairman expects to be here in a few moments, but he has asked us to proceed. The first witness is Mr. Harry Lundeborg, Secretary and Treasurer of the Sailors Union of the Pacific. Mr. Lundeborg, will you come forward?

STATEMENT OF HARRY LUNDEBERG, SECRETARY-TREASURER, SAILORS UNION OF THE PACIFIC

Mr. LUNDEBERG. Mr. Chairman and gentlemen, I am the Secretary of the Sailors Union of the Pacific. We have a membership of about 8,000 members. I am sailing on the deck. I was sent here to voice the opinion of the members of my organization against the proposed mediation bills before this committee at this time. In order to get a little clearer picture of it, I should like to bring in a little background, if it is all right with the committee.

Senator BAILEY. Tell us your occupation and what you have been doing. Let us get a little background about you.

Mr. LUNDEBERG. Do you want my background?

Senator BAILEY. Yes. Just what do you do?

Mr. LUNDEBERG. I am a sailor by trade. I started to sea in 1914 on European ships. I sailed under nine different nationalities. I have sailed on American ships since 1923. I came to this country for the first time in 1919. I have sailed on every kind of ship—schooners, fore-and-afters, passenger vessels, tramp steamers, and sailing ships.

Senator BAILEY. Are you a citizen of this country?

Mr. LUNDEBERG. Yes. In order to hold the job I hold in the Sailors Union, I must be a citizen.

The Sailors Union of the Pacific is the oldest seamen's union in the United States. It was organized in 1885 in San Francisco.

From 1902 up to 1921 the Sailors Union was recognized as a collective bargaining agency by the shipowners, and we had agreements up to 1921. In 1921 the wages, which at that time were the highest ever paid in the American shipping industry, were \$90 per month, a dollar an hour overtime, and an 8-hour day.

Through the demand of the United States Shipping Board, and also the shipowners at that time, they wanted to cut the wages, which the seamen did not want, and consequently the seamen were locked out on a national scale. This lock-out lasted from the month of May until August 1921. The unions were crippled, and the men went back to the vessels.

I wanted to bring that out because we feel that the United States Shipping Board, together with the shipowners, helped to break up the unions in those days.

During the lock-out the shipowners on the Pacific coast established what they called the Marine Service Bureau. That was an establishment to ship strike-breakers during the strike. Afterwards, when the lock-out was over, they also reenlisted men for the ships. After the strike was over, many of the men were blacklisted. They could not go back with this service bureau. Any man who wanted to go back to sea had to register through those bureaus in San Francisco and Los Angeles.

These bureaus had a very bad influence on the seamen. They drove a lot of bona fide seamen away from the sea, and picked up a lot of bums, who never had gone to sea before, because the policy of the shipowners at that time was not to question the quality of the men, so long as they got the men. That was all they asked for. They set the wages and you took it and liked it.

In this Marine Service Bureau in San Francisco at that time, anyone who blew in, regardless of where he came from, or whether he had ever been to sea, could get a job and go to sea as long as he took the wages. Bona fide seamen were, in many cases, blacklisted, especially if they refused to take the shipowner's discharge paper, commonly called the "fink book." The men who conducted these offices for the shipowners at that time were deputized. The unions were crippled. They could not do anything.

In 1924 the Sailors Union and the International Seamen's Union attempted, for the first time in history, to use political action. They backed for President Senator La Follette, who had at all times been friendly to the seamen. He was not elected, so that our political efforts ended right then and there.

Afterward we attempted, through the Federal courts, to do away with some of the bad conditions at that time in the maritime industry, but we did not get to first base. When the lock-out was called the wages were \$90 per month, with a dollar an hour for overtime, and an 8-hour day, but during the time between 1921 and 1934, under the control of the shipowners, the shipowners set the wages and the wages went down. The 8-hour day was a thing of the past. A man worked for long hours without any overtime, and conditions in general became bad. Conditions in the industry generally got bad for the seamen. In 1923 they had a so-called boom, and good times on the Pacific, with plenty of shipping. In fact, they used every ship on the Pacific coast, old or young. Most of them were old, of course.

The wages of sailors were not improved at all under this system. The wages of everybody else in the country, up to 1929, were raised, but under those conditions the sailors had nothing to say, due to the fact that they did not have a strong organization to back them up. In those days, considering the class of men who went to sea, as I said before, there were quite a lot of men who were not bona fide seamen.

Senator BAILEY. How did the wages paid at that time compare with the wages paid on ships sailing under other registries than ours?

Mr. LUNDEBERG. Under other registries.

Senator BAILEY. Yes.

Mr. LUNDEBERG. The Australian wages were about twice as high as the American wages. The wages on the New Zealand coast were about twice as much as American wages. I came up from Australia in 1923. I was sailing on the Australian coast for 17 pounds 10 shillings a month, and 2 and 6 pence an hour overtime. When I came to the West Coast I sailed for \$60 a month.

Senator BAILEY. Now that you have made your comparison with Australia, how about the sailings out of England, under the British registry?

Mr. LUNDEBERG. I sailed out of England. The last time I sailed out of England my wages were 14 pounds a month, two watches, on a sailing vessel.

Senator BAILEY. \$70?

Mr. LUNDEBERG. No; 14 pounds a month. I forget what the rate of exchange was, but we had 14 pounds a month. That was a four-masted bark from Liverpool.

The CHAIRMAN. What about Holland, Sweden, France, and Italy? How did those wages compare with the American wages?

Mr. LUNDEBERG. According to the prices in those countries they compared very favorably, and were probably better than the American wages at that time. It is pretty hard to compare the American wages with those foreign countries at that time. What should be done is to compare the wages of the seamen at that time with the wages of people in industries ashore in America. The period between 1923 and 1929 was a period of good years, according to everybody, and they probably were good years for people ashore, but they were not for us. Through the system which they had in those days, as I said, we had no way of improving conditions. Our union was pretty weak. Nobody seemed to care. That included the lawmakers in Washington, and also the United States Shipping Board and the shipowners. They did not care whether the seamen lived or died.

The CHAIRMAN. What period are you speaking of now?

Mr. LUNDEBERG. I am speaking about the period between 1921 and 1934. There were no laws passed to help the conditions of seamen. We had a representative in Washington from time to time, but could never get any satisfaction.

Also in those days there were no headlines in the papers about undisciplined inefficient American crews, and so forth. As a matter of fact, in those days I have seen men aboard American ships sailing as able-bodied seamen, in various capacities who were not fit to sail across the river here, let alone going into deep water. But, as I say,

due to the fact that the shipowners had everything their own way, they did not care what the man was, so long as he took the wages offered.

It is necessary to bring this up, on account of our objection——

The CHAIRMAN. Your objection to what, Mr. Lundeborg?

Mr. LUNDEBERG. Our objection to the mediation bill.

The CHAIRMAN. Let me ask you a question. Where does your organization come in between the C. I. O. and the A. F. of L.? It is not affiliated with either one, is it?

Mr. LUNDEBERG. No. Our organization was organized, as I stated, in 1885, for all the seamen on the Pacific coast, the sailors. We are affiliated with the State Federation of Labor of California, Oregon, and Washington, and also seated as delegates in the various labor councils. We are also part of the Maritime Federation of the Pacific coast, which we helped to organize.

The CHAIRMAN. Is there rivalry now between your organization and Harry Bridges' organization?

Mr. LUNDEBERG. His organization is a part of the C. I. O., as I understand, and we are not. We are not affiliated with the American Federation of Labor on a national scale, so our status on a national scale is independent. Our membership feel that they do not want to be used either by the A. F. of L. or the C. I. O. to fight for power between individuals.

The CHAIRMAN. As I understood it, you came in between the two organizations. How does your membership compare with that of the C. I. O.?

Mr. LUNDEBERG. That I could not tell you.

The CHAIRMAN. Is it less or more?

Mr. LUNDEBERG. Ours is a small organization. It has 8,000 members. With regard to the figures of the various organizations, sometimes they say they have so many, and sometimes they say they have less, and we do not know for sure from time to time what their real figures are. We are furnishing men who go to sea as ordinary seamen, able-bodied seamen, boatswains, storekeepers, and quartermasters on all vessels registered on the Pacific coast, deep water, coastwise, the Alaska run, and so forth.

The CHAIRMAN. Would you not get further along in your desire to have better conditions and better wages if you all got together on some basis?

Mr. LUNDEBERG. I was going to come to that.

The CHAIRMAN. All right.

Mr. LUNDEBERG. I tried to explain how the conditions were between 1929 and 1934.

The CHAIRMAN. What about the conditions now, Mr. Lundeborg? We are not so much interested in the conditions of those days. All of us on this committee think that the sailors were badly housed, badly fed and badly paid. There is no contention about that. But what about the present conditions, and what do we need to do now to make things better?

Mr. LUNDEBERG. The past has quite a lot to do with the present. That is why I brought this up. I asked if I might bring it up, and I was told I might. It links up with the present. I was trying to show that nothing was done here in Washington and nothing was done by the shipowners for 13 years. The seamen did not do any-

thing themselves because they did not have any strong organization.

In 1934 conditions got so rotten that they finally woke up to the fact that the only way they could improve conditions was to strike, and every seaman on the Pacific coast walked off his vessel, regardless of whether he belonged to a union or not. The strike lasted for 3 months, and after the strike was over we were told by the Government Labor Board—what they call the Longshoremen's Board, appointed by the President—to go back to the vessels, and they would see that we got an improvement in conditions after a while.

The CHAIRMAN. That was in 1934?

Mr. LUNDEBERG. After 1934. The Longshoremen's Board was a board of three appointed by the President to settle conditions for the longshoremen after the strike. As you know, there were longshoremen, seamen, mates, and engineers out on strike. After being out on strike for 3 months, we did not gain anything on going back again, but we were promised something. We attempted to negotiate with the shipowners, and did not get very far. The Longshoremen's Board, after quite a bit of pressure being brought on it, in turn appointed an arbitration board of three to settle the seamen's questions. The strike was called off on the 31st of July, 1934, and by the time the arbitration board handed down a decision it was April 1935, a matter of 9 months after the men went out on strike, before they got a decision. In the meantime, while they waited for this arbitration to give them something, they got restless, and it did not look as though they were going to get anything, so they took matters in their own hands, and forced wages up, and changed conditions on the ships gradually from time to time. By the time the decision was handed down by the arbitration board, 9 months after the strike was called off, conditions on the vessels had been improved by the action of the crews.

The CHAIRMAN. Is that one reason why you are opposed to title X of this bill, and the mediation and arbitration bills?

Mr. LUNDEBERG. Yes.

The CHAIRMAN. Because of your experience in that matter.

Mr. LUNDEBERG. Yes. That is one of the objections we have against the mediation board and arbitration. It was proved conclusively in 1934 that it took this board 9 months to hand down a decision, and when it handed it down, it handed down something that we had already obtained by what you might call strike action, or individual action.

After this arbitration award was handed down the seamen were very much dissatisfied with the conditions they had obtained.

The CHAIRMAN. In that arbitration did they recommend increases in wages and better conditions?

Mr. LUNDEBERG. They set the wages at \$62.50 a month.

The CHAIRMAN. What had they been immediately before that?

Mr. LUNDEBERG. Before the strike on the Pacific coast the wages were from \$40 to \$50 a month, an average of about \$45.

The CHAIRMAN. They increased the wages about 50 percent, then?

Mr. LUNDEBERG. Yes. We got it ourselves through action while waiting for the decision to be handed down. The seamen themselves forced the shipowners. We said, "If you want us you will have to pay us so much." Naturally, things were booming for the shipowners. They did not like to do it. However, they were forced to.

So, by the time the arbitration board handed down its decision, we already had the \$62.50, and in certain instances more.

Senator THOMAS of Utah. Do you not believe that the fact that an arbitration board was acting was helpful in getting better wages and conditions?

Mr. LUNDEBERG. No. The only think that was effective was that when a man refused to go to sea under those conditions, and the shipowners needed seamen, they had to have them, so they boosted the wages.

That is the experience we had with arbitration. After the arbitration board handed down the decision in 1935, the men were still dissatisfied because the decision was less than they had then obtained for themselves, and also less than they had asked for when they went out on strike. They asked for \$75 a month, and 75 cents an hour overtime, and wanted to abolish all optional free time, as they call it, or "time back." Where a man works at night, for instance, for 4 or 5 hours, they used sometimes to pay him back 4 or 5 hours in the daytime. Most of the time if a man asked for the time back, he got fired. That was what we were after, mainly, and also to do away with the shipowners' hiring hall, which we did abolish.

So, there was quite a lot of unrest among the seamen. They did not feel that they had a new deal yet. They still felt that they had part of the "raw deal"; so, in the latter part of the year 1935 we asked the shipowners again to meet with us across the table to raise the wages. However, they declined to deal with us, and nothing came out of it. This condition prevailed up to 1936. In the month of August we sent a formal notice to the shipowners demanding to meet with them across the table to change conditions, raise wages, and so forth. They refused and said, "We will submit all this to arbitration." But the seamen said, in view of the fact that a year before they had had such a bad experience, "Nothing doing. We will not go for arbitration." Naturally the shipowners would go for an arbitration board, after they had established wages more to their liking than to the men's liking.

So, the seamen on the Pacific coast took a strike vote, which carried about 99 percent, in a secret referendum ballot, and wanted to go out on strike on the 1st of October, when the agreement expired on the 30th of September.

The CHAIRMAN. That was in 1936.

Mr. LUNDEBERG. Yes. However, the United States Maritime Commission, which had at that time been newly formed, asked us to delay the strike, and also the Department of Labor. The seamen did not want to do it, but through pressure of the other organizations we had to delay it. They asked for 2 months' extension so that they could investigate. The seamen wanted to give them 15 days, but they compromised on 30 days.

Meanwhile, during those 30 days, the Maritime Commission came out to the coast, or one of the Commissioners came out to the coast, and he suggested that we delay any and all strike action until such time as he could investigate the conditions in the industry. We asked him how long it would take him to investigate the conditions in the industry, raise the wages, and so forth. He stated that it might take anywhere from 6 months to a year, and we told him, "Nothing doing." We went back to the membership, and the men

said, "Nothing doing," so they went out on strike on the 29th of October, and the strike was on.

During this period the Maritime Commission was out there, and it attempted to get both parties together, and also the representative from the Department of Labor. However, the only thing the shipowners wanted to do was to have arbitration. The men did not want arbitration, but finally, through the efforts of the Department of Labor and Madam Perkins, the shipowners consented to meet with the seamen to negotiate an agreement. That is the first time they did consent to direct negotiations, as opposed to arbitration. We felt that inasmuch as the seamen are close to the work, and run the vessels, they would be better able to determine the conditions and the pay, and what the companies could afford to pay, and what the men wanted, instead of having an outside board. No matter how fair they might be, they would not know the conditions in the industry.

So, finally, the shipowners saw the light on that subject, and through the efforts of the Department of Labor we got to meet with them across the table and we negotiated an agreement, which was referred back to the membership, and they accepted the agreement on the coastwise referendum vote, about 90 percent. They felt better, because they had had something to say about it themselves. Under arbitration the men must take whatever the arbitration board decides. Whether they like it or not, they must take it. Under the process of direct agreement, apparently they liked this agreement. Whether it was good, bad, or indifferent, they took it because they felt that they had negotiated it themselves.

The CHAIRMAN. Was that agreement kept by the shipowners?

Mr. LUNDEBERG. That agreement was signed in the spring of 1937, in February 1937, and from that time on we got along pretty well with the shipowners. The agreement set up what is known as a port committee. In the agreement there was a port-committee clause. This port-committee clause had been used by the Sailors Union between 1902 and 1921, and had worked satisfactorily. It was something Mr. Andrew Furuseth had worked up when he was the head of the Seamen's Union. The shipowners went back to that, and agreed to use that clause, and from then on we used the port-committee set-up, which provided for an equal number of representatives from each side, not only in San Francisco, but we have port committees in San Pedro, Seattle, and Portland, Oreg.

The CHAIRMAN. An equal number of representatives of the seamen, and of the owners, and then an impartial member?

Mr. LUNDEBERG. Here is the way it works. When trouble arises aboard a ship, or some dispute arises, it is referred back to the union, which takes it up with the port captain. Most of the time we are able to handle the dispute. If we cannot handle it, then we take it up with the port committee, composed of three representatives from the shipowners, as a rule, and three from the seamen.

The CHAIRMAN. You take it to the port captain in harmony with the navigation law?

Mr. LUNDEBERG. In harmony with the agreement.

The CHAIRMAN. Then, if he cannot settle it, you take it to the committee.

Mr. LUNDEBERG. If we cannot agree with the port captain. Most of the time we agree with the port captain. Sometimes we lose and sometimes they lose. Then they turn it over to the port committee, if it is "pretty tough beef." All the time, so far as the Sailors Union is concerned, we never at any time called in a referee or arbitrator. We managed to get through without calling him in. Sometimes we opposed a very bad decision that we did not like, but, nevertheless, we took it because we would rather do that than take the chance of having some outsiders hand down some decision that might be altogether out of reason.

The CHAIRMAN. What functions do the delegates on the ship have to perform?

Mr. LUNDEBERG. The delegate aboard a vessel is an old institution in the Sailors Union. From the time the Sailors Union has had agreements with the shipowners we have always had a sailors' delegate aboard the vessel. If there is any grievance arising during the trip, this delegate takes it up with the captain. He speaks for the crew. That is agreed to by the shipowners, right in the agreement. They want the ship's delegate themselves. If the captain and the ship's delegate, or the mate and the ship's delegate cannot adjust it, they wait until they get into port. Then, in the first port they come into on the Pacific Coast, they refer it to us, and we handle it between our representative and the shipowner's representative, which is the port captain. Of course, this does not take a very long time. I go down to the dock and see the port captain, and we argue for half an hour. Perhaps we cannot get to first base, and we see it is "tough beef." Then we go to the port committee with it. We can usually tell, within 12 to 24 hours, whether the port committee can handle it or not. We have always handled it, from the beginning of January 1937, up to now, without referring it to an arbitrator or referee, as we call it in the agreement.

The CHAIRMAN. That is true in San Francisco. Is it true all along the coast?

Mr. LUNDEBERG. That is true all along the coast.

The CHAIRMAN. You are familiar with the standard agreement which is being made now by the C. I. O. union and the shipowners. Are you in harmony with that agreement?

Mr. LUNDEBERG. I am not familiar with the agreement between the C. I. O. unions and the shipowners at all.

The CHAIRMAN. You have not seen that?

Mr. LUNDEBERG. No.

The CHAIRMAN. Is it your idea that the arrangement you have set up is a complete one, and sufficient to deal with all the emergencies that may arise?

Mr. LUNDEBERG. We not only feel that. We know, through past practice, from the years from 1902 to 1921, that this worked very effectively in the industry, and we know that through the last year, after the strike, it has worked well so far as we are concerned.

Senator VANDENBERG. Is there anything in these regulations or in this system which interferes in any way with the authority of the master while the ship is at sea?

Mr. LUNDEBERG. No; absolutely not.

Senator VANDENBERG. You recognize the importance of complete discipline at sea, and you do not stand for strikes at sea, is that correct?

Mr. LUNDEBERG. It is ridiculous for seamen to strike at sea, because they are then subject to Federal statutes, and can be charged with mutiny, or thrown in irons. Time and again that has happened, not only on American ships, but I have seen it happen on foreign ships. If a man refuses duty at sea he is thrown in irons, and then he is taken care of ashore through the Federal authority. That is altogether outside the jurisdiction of the Seamen's Union. Besides that, it is also very definitely set out in the Merchant Marine Act of 1936 and 1937 what the men can do and what the men cannot do. It is in the hands of the Department of Commerce. Discipline at sea, after all, is something that the Federal Government has to do with. I should like to read from section 13 (h) of the Merchant Marine Act of 1936:

That all certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provision of 4450 of the Revised Statutes.

The Revised Statutes, section 4450, reads as follows:

Investigation of conduct of officers. The local boards of inspectors shall investigate all acts of incompetency or misconduct committed by any licensed officer while acting under the authority of his license, and shall have power to summon before them any witnesses within their respective districts, and compel their attendance by a similar process as in the United States circuit or district courts; and they may administer all necessary oaths to any witnesses thus summoned before them; and after reasonable notice in writing, given to the alleged delinquent, of the time and place of such investigation, such witnesses shall be examined, under oath, touching the performance of his duties by any such licensed officer; and if the board shall be satisfied that such licensed officer is incompetent, or has been guilty of misbehavior, negligence, or unskillfulness, or has endangered life, or willfully violated any provision of this chapter or chapter 14 or 15 of this title they shall immediately suspend or revoke his license * * *.

We objected to this in 1936 ourselves, and still object to it. We think it is too severe. However, it is within the hands of the Department of Commerce and the Steamboat Inspection Service to uphold discipline at sea. They have the grant of enough power there, and I cannot see how any more laws can be added to that.

Senator VANDENBERG. I am familiar with the law. I am asking for your attitude. You say you think that is too strong?

Mr. LUNDEBERG. Yes.

Senator VANDENBERG. In what respect?

Mr. LUNDEBERG. For instance, it says, "Misbehavior, negligence, or unskillfulness."

It depends on the word of the master. As I testified when I was here a year ago before Mr. Bland's committee, sometimes a master might have a personal grudge against a man, and, regardless of how good the man is, he might think that this was a good way to get even with him. So, that is a little too vague. We believe that if a man refuses duty at sea, he should have his license taken away.

Senator VANDENBERG. What is your feeling about strikes in foreign

ports on American ships? Is that the same as at sea, or is that different?

Mr. LUNDEBERG. When a man signs the agreement, under the United States Shipping Commissioner, he is under the Federal laws of the United States, and naturally he knows what to expect.

The CHAIRMAN. That is, when he signs the articles, he becomes a party, then, to an agreement to carry out the law.

Mr. LUNDEBERG. That is right.

Senator VANDENBERG. I understand that. I am asking for your viewpoint. Do you view a ship in a foreign port differently than you do a ship at sea?

Mr. LUNDEBERG. Unfortunately we have to view it that way, because the maritime laws in all countries make it pretty nearly impossible for seamen to participate in any strike in a foreign port. Of course, such conditions arise from time to time, where conditions are unsafe, as was the case in some of the strikes they had down in South America, for example, where they used knives, guns, and so forth. It is not so healthy for a seaman to be around. They conduct strikes in quite a little different style than we do up here.

The CHAIRMAN. Mr. Lundeborg, there have been various criticisms made of the discipline on ships in certain reports of United States consuls. Have you read any of those reports?

Mr. LUNDEBERG. No; I have not. I have heard quite a lot about it from time to time from reading the papers the last 6 months; I imagine everybody in the United States, and probably South America and Europe, knows all about this discipline. Most of that stuff is not based upon facts. I think it is assumptions. I also believe that some of those people who put out that stuff might be in the pay, for instance, of a British line or a Japanese line, because, after all, it not only hurts the seamen—the seamen can take it. They have been knocked around all their lives anyway, but it hurts the American merchant marine.

The CHAIRMAN. Do you mean by that, Mr. Lundeborg, that these very consuls of the United States Government might be in the employ of other countries?

Mr. LUNDEBERG. No; I did not say the consuls, Senator. I do not think they can be, because they have taken an oath to uphold the Constitution of the United States. But I say various individuals may do it. I read an article in a national magazine, Time magazine, about the crew of the *President Hoover*, for instance. The crew was accused of having broken into the bar, with being drunk, and so forth. I myself think that is ridiculous. There is a possibility that anyone who might publish that might be interested in foreign lines rather than American ships. After all, British ships from Vancouver, British Columbia, run across the Pacific Ocean and also the Japanese liners. These ships are run by coolie crews, Chinese crews, at \$15 a month, and they have a big, fine passenger service there. It is worth while investigating where all this publicity and propaganda in the press came from, because, after all, it does knock us. A sailor does not mind getting knocked, but it knocks the American ships.

The CHAIRMAN. Mr. Lundeborg, you speak about the Time magazine. Is it your conception that Time magazine is such an organization as you have spoken of, that might be interested in other countries and other lines?

Mr. LUNDEBERG. I am not accusing the Time magazine.

The CHAIRMAN. You spoke of it.

Mr. LUNDEBERG. I spoke of it as being a national magazine. It seems to me that before Time magazine, or any national magazine, publishes anything like that, it should at least have the facts before publishing it.

The CHAIRMAN. I have thought so myself, Mr. Lundeborg, having felt the effect of the Time Magazine, but I wondered what your view was.

Mr. Lundeborg, what did you mean when you said that there were non-American influences back of the criticisms of American ships and sailors? What do you mean by that? You know that charge might be considered to be quite as vague as some of those you feel have been directed against the sailors, and we ought to know it if there is an attack being made upon our shipping by adverse interests. We ought to know about it. What do you know about it?

Mr. LUNDEBERG. For instance, I believe the seamen aboard the *President Hoover* were thoroughly investigated in San Francisco by a Federal board. Judge Jones, the Assistant Director of the Steamboat Inspection Service, came out from Washington also to observe the procedure. The seamen were thoroughly investigated by Federal officials. We feel that it is no more than right that the same people who made the statements about the crew of the *President Hoover* should also be thoroughly investigated—not only as to what they say but their background as well.

The CHAIRMAN. I notice that one of the men who is most critical of the action of sailors on the *President Hoover* is a United States consul who happened to be traveling on that ship. What do you have to say about him?

Mr. LUNDEBERG. I do not have much to say about him. I do not like to tell you what I think about him.

The CHAIRMAN. We want to know it. We want absolute justice done. If there were no outrages on the *Hoover*, we would like to have the facts about it.

Mr. LUNDEBERG. Senator Copeland——

Senator BAILEY. Mr. Chairman, all that the witness has said is that he thinks that those people who made the charges ought to be investigated themselves, and that their background ought to be discovered. That is thoroughly sound. That is the right of cross-examination. I agree with him. They have made statements. Now, we would like to know about them.

The CHAIRMAN. I agree with you fully, Senator Bailey.

Senator BAILEY. I think the witness knows——

The CHAIRMAN. I am asking if this witness has evidence which he thinks is conclusive, of the good behavior of the crew.

Senator BAILEY. No; he said he had an opinion which he did not care to express.

The CHAIRMAN. Do you think we ought to know what his opinion is?

Senator BAILEY. No. I think that a man who comes before us and says he has an opinion which he would prefer not to express has a right to reserve his opinion, and that it was an act of politeness. He had some language in his mind that he did not care to utter.

The CHAIRMAN. Let me ask you, Mr. Lundeborg, are you satisfied that there were no wrong acts on the part of the sailors on board the *President Hoover*?

Mr. LUNDEBERG. I am satisfied to take the findings of the Federal Board of Investigation—Judge Jones, who is Assistant Director of the Steamboat Inspection Service.

The CHAIRMAN. Did those findings exonerate all the members of the crew?

Mr. LUNDEBERG. That is what Judge Jones told me in San Francisco. I did not know the man. He called me up and told me about it. I said, "I hope you will go back to Washington, D. C., and tell the people exactly what is the truth." He said he would. He had to go to Seattle first, and then he was coming back here. The records of that hearing, I imagine, would be available to the committee, because it was conducted under the Federal Steamboat Inspection Service in San Francisco.

The CHAIRMAN. Are you of the opinion that there have been no cases of lack of discipline aboard ships in the last year or so?

Mr. LUNDEBERG. I am not of the opinion that there has not been a lack of discipline. After all, we do not pretend to be altogether Christians. I mean, we are the same as any other people. We fall by the wayside from time to time. I have done it myself on different ships, but that can happen to anybody.

I should like to talk a little more on the *President Hoover* while we are at it.

The CHAIRMAN. All right. Go ahead.

Mr. LUNDEBERG. Naturally, the burden came on the sailors union, due to the fact that we shipped the crew out of the sailors union office. The crew of the *President Hoover*, the men on deck, had been on board that vessel for several trips. Captain Yardley, who is the master of the *President Hoover*, has been a master on American ships for 40 years. He is known to be a tough man, and any time Captain Yardley would pack a man on two trips, that man must be all right. That is the way we feel about it. When the vessel struck, the facts of the case are that the sailors manned the lifeboats effectively and took over 700 of the passengers and crew ashore within 36 hours. That speaks for itself as evidence that the men capably handled their job.

Senator BAILEY. And that was in rather rough weather, was it not?

Mr. LUNDEBERG. It was. That is a pretty bad place most of the time. It was bad weather. It must be remembered that those men, before they sign on before the United States Commissioner, must show their certificates of efficiency, and also their lifeboat certificates, to show that they are competent to sail as able-bodied seamen and lifeboatmen under certificates issued by the Department of Commerce.

The CHAIRMAN. Do you think that the possession of those certificates is conclusive proof that they are competent in handling boats?

Mr. LUNDEBERG. Personally, I do not think it is strong enough myself, but, after all, it is the law. Whoever blames the crew for being inefficient directly accuses the Department of Commerce of inefficiency when he does so. After all, the men were certified by

the United States Government, under the Federal law. That, in itself, should knock out the foolish argument that the men were inefficient, when the sailors took over 700 passengers and crew ashore within 36 hours.

The CHAIRMAN. I have here an affidavit of one Robert Dunlop, who was aboard the ship. [Reading:]

The crew did not appear to be skilled in the use of the lifeboats. There seemed to be a maximum of four men at each boat, of whom only one appeared to know anything about the handling of the boat. I was disappointed that more use was not made of the ship's mechanical gear in pulling the boats ashore through the surf and back to the ship since the ship was only about 200 yards from the shore. For the lack of this assistance several boats had to be abandoned.

Did you hear any of the examinations in San Francisco?

Mr. LUNDERBERG. I heard part of them. This is Mr. Dunlop. I do not know who he is. I do not know how much he knows about a lifeboat, and I do not know how much he knows about the sea. Apparently, since he criticizes severely, he must know something about it. I hope he does. I would like to find out, anyway.

Nevertheless, as you know, there are only so many certified lifeboat men aboard a vessel. Fortunately, I have pictures of everything that happened aboard that vessel from the time she stranded, and also have pictures of the crew lowering the boats and putting the passengers in. These pictures are conclusive proof that the men knew their business. The fact is also, as I said, that over 700 men, women, and children were landed on the island in 36 hours time, which shows enough to anyone who is acquainted with seamen, and knows anything about the sea at all. I think, myself, it was a first-class piece of seamanship, and I am a sailor by trade.

The CHAIRMAN. What is the legal status of a sailor when a shipwreck occurs? When they are on the shore, are these sailors still under the discipline of the officers?

Mr. LUNDERBERG. When they are ashore?

The CHAIRMAN. Yes.

Mr. LUNDERBERG. As long as you are aboard a vessel, on the pay roll of the ship, you take orders from the mate. Certainly you are under the discipline of the officers.

The CHAIRMAN. When they were on shore they would be under the same rules of decency that would govern them on the ship, is that right?

Mr. LUNDERBERG. You mean when they are ashore, paid off, from a vessel?

The CHAIRMAN. No. What I am speaking about is the specific instance of the *S. S. Hooper*, which was wrecked.

Mr. LUNDERBERG. Yes.

The CHAIRMAN. And they went ashore. The officers of the ship were there. Were those sailors under obligation to obey the commands of the officers while they were on shore under those circumstances?

Mr. LUNDERBERG. I imagine they were. However, when an American ship strikes and is wrecked, the pay of the men stops immediately. In other words, as soon as that vessel struck, from that time they were off articles. The shipping company has no responsibility. The United States articles were broken. It is a peculiar law. If you sink on board a vessel in the middle of the Atlantic

or the Pacific, there is no more obligation from either the Federal Government or the company.

The CHAIRMAN. Mr. Lundeborg, are you being entirely frank with us? What was the duty of those sailors when they had gotten ashore and taken the passengers ashore? What was their moral duty, if not their legal duty, as regards the care of those passengers?

Mr. LUNDEBERG. It was their duty to help the people, and also to expect some of the passengers to help themselves, because, after all, it was brought out in the hearing that one of the passengers had the D. T.'s. I am not coming here to criticize the passengers, but I have seen some of the passengers traveling on American vessels, and also on other vessels, who certainly would not be any honor to the American flag, because some of them carry on pretty tough. Some of them might be just as bad as a sailor. A sailor is bad enough, according to the general view of the public and the press, and so forth, but in my opinion they carry on worse than sailors, on board the ships.

Senator VANDENBERG. Is this Jones report available, Mr. Chairman, to which Mr. Lundeborg refers?

The CHAIRMAN. Yes. We have all these reports. They are all in the record. Of course, it is our duty now to do what we can to sift the wheat from the chaff and get the facts about it.

You take the position, from what you know of it, that there was no disorder among the crew of the *Hoover*, is that right?

Mr. LUNDEBERG. From all I know of it, and what I could see of it, as a sailor who knows a little about these things, that crew conducted itself in an absolutely seamanlike manner, and was what I would call a pride to the American merchant marine. In 36 hours they took 700 passengers ashore in pretty heavy weather. That should be enough in itself. There should be headlines all over the country about the seamanship of those seamen, instead of the articles they have had so far.

They should be proud of the American seaman. It has been proven time and again that American seamen, in case of shipwreck, can hold their own with any nationality.

Senator BAILEY. I agree with you about that. When they landed those people under those conditions they did a good job. It may not have been very skillfully done, but it was very successful. That should end the matter as to the manner in which they got them off the ship and put them on the land. It was a good job. The complaint was not about that. This Mr. Dunlop says that it was not skillful. Probably he never had to do anything like that. We do not know about that. Let him go. There is complaint in the press about misbehavior unbecoming anybody, on the part of the sailors after the passengers were landed. Do you know anything about that of your own knowledge?

Mr. LUNDEBERG. No; I do not.

Senator BAILEY. All you are saying, then, is that newspaper reports may or may not be accurate, but before we reach a conclusion we ought to examine those who complain and give the sailors a chance to be heard. Is that right?

Mr. LUNDEBERG. Yes.

Senator BAILEY. I agree with you on that. I do not propose to reach any conclusion without hearing both sides. Is not the trouble here, after all, the fact that the American merchant marine, and

therefore the American sailors, are in competition with foreign merchantmen, and therefore with foreign sailors? Is not that the main trouble?

Mr. LUNDEBERG. What is that?

Senator BAILEY. Is not the main trouble the competitive condition between the American sailors and the foreign sailors and between American ships and foreign ships?

Mr. LUNDEBERG. That is one of the reasons.

Senator BAILEY. Is not that the main trouble?

Mr. LUNDEBERG. Yes. In this case I think, myself—

Senator BAILEY. Let me ask you about that. If a foreign ship pays its sailors only half what the American ship pays, or, to state it the other way around, if the American ship pays its sailors twice what the foreign ship pays, does not that put our ship out of business in the long run, and therefore the American sailor? Is not that your main difficulty?

Mr. LUNDEBERG. That is not my idea of it.

Senator BAILEY. I should like to hear your idea about it. How can we run competitively all over the world and pay twice as much as the other fellow pays? If there is a way to do it, I should like to do it, but how can that be done?

Mr. LUNDEBERG. Wages, I think, represent a small item in the general operation of a vessel.

Senator BAILEY. Do you know what the ratio is?

Mr. LUNDEBERG. Various nationalities pay various wages.

Senator BAILEY. I mean the ratio. What proportion of the cost of carrying a ship across the sea is represented by wages?

Mr. LUNDEBERG. I could not tell you that. These modern ships have so many bills and so much overhead, with shore staffs who eat more than seamen, I imagine, repair work, and so forth.

Senator BAILEY. There is a great deal of other expense. Your profit on any operation comes down to a very small percentage of the gross, anyhow.

Mr. LUNDEBERG. I could not testify as to the ratio, but I should like to give you my idea about the maritime industry.

Of course, we have gotten the blame for that. The seaman has gotten the blame for the present condition of the American merchant marine. Of course, if you want to go into that a little closer, there is somebody beside the seaman to blame. We do not want to take all the blame for this.

In 1928 we passed the Jones-White bill. Under that bill the ship-owners could get all the money they wanted, practically, to buy ships, and it took them about 20 years to pay it back, with a low interest rate. On top of that, they got a fat mail subsidy. In other words, besides the Government building ships, they also gave them a heavy subsidy, so that practically all their operation expense was paid by the Government. In those days shipping was pretty good. It must have been pretty good, because even unsubsidized vessels are running pretty frequently.

I do not know how the American merchant marine is financed, whether it is from Wall Street or how. I believe, the bankers have most of the controlling interest in the American merchant marine. If they had used some of the big profits they made in those days to rebuild the American merchant marine, then you would today prob-

ably have an up-to-date, fast merchant marine. As it is today, an American freighter is in some cases so slow that it cannot get out of its own way. Foreign vessels competing with American vessels have freighters capable of 18 to 20 knots, modern and up-to-date, with modern gear, and so forth, and the American vessel comes drifting along at 10 or 12 knots. If she makes 12 knots, she is a fast ship, in the freight service. Years ago the American merchant marine was leading the world. In the Yankee Clipper era they competed with anybody, regardless of where they were. They had the fastest ships afloat, and they took cargo away from China, in the tea trade, and so forth, and competed with England, which always had fast ships, and has always been a great maritime nation.

Senator BAILEY. How many years ago was that?

Mr. LUNDEBERG. That was quite a long time ago. But, nevertheless, in those days they did not have any subsidies, and the American ships were leading the world. Today they have subsidies. They were practically given the ships by the Government and had big subsidies. Instead of building ships on a long-range program, if they intended to continue in the shipping industry, they turned to fat bonuses and big salaries for some of these people who never knew anything about a ship, or perhaps never saw a ship.

The CHAIRMAN. Mr. Lundeborg, I think we are all agreed about that. Of course, the Jones-White Act is out the window now.

Mr. LUNDEBERG. I know.

The CHAIRMAN. We have now a new law and different management. I do not suppose we can correct the evils of the past and the defects of that particular law. I think you are entirely right, that some of the mail pay that was supposed to be used to advance the wages of sailors and maintain the ships was wasted in exactly the way you speak of, in building hotels, in high salaries, and so forth.

Mr. LUNDEBERG. Not only did the sailors suffer, but the merchant marine itself suffered, because they did not rebuild any ships, with all that profit they made in those days. That is why the American merchant marine today is in such a sad state. Instead of having up-to-date freighters, along with other countries, they have a few old tin boxes, drifting around on the Pacific and the Atlantic, which cannot compete with the up-to-date shipping industry.

The CHAIRMAN. Of course, Mr. Lundeborg, you cannot build ships, and there is no reason for building ships, unless we can have the personnel to operate the ships properly after they are built. Am I not right in that statement?

Mr. LUNDEBERG. That is right. You have to have seamen.

The CHAIRMAN. Have we now properly trained and skilled seamen who can maintain a fleet of several hundred more new vessels than we have at present?

Mr. LUNDEBERG. Certainly there are enough seamen in the United States to man the vessels.

The CHAIRMAN. There are enough men, yes; but are there enough to man them efficiently?

Mr. LUNDEBERG. In our organization, for instance, the Sailors Union of the Pacific, we have about 8,000 members and about 4,000 jobs. There are 4,000 more men than jobs, and from time to time more men come in. The United States Navy discharges men every month, and most of these men get into the sailors' union.

The CHAIRMAN. Ought there not be some way for the efficient training of sailors, in order to take care of the future? I suppose some of these men who are now in the service are growing old.

Mr. LUNDEBERG. They can train the men aboard the vessels. As I stated before, I do not believe that the way they issue certificates to these men is severe enough. For instance, to make an able-bodied seaman, it should be 3 years before he can apply for a certificate as able-bodied seaman. Under the Merchant Marine Act of 1936 a man can become an able-bodied seaman after 12 months' service, under certain conditions. There is no man, after 12 months, who is qualified to sail as an able-bodied seaman, so I believe that the proper thing to do is to train the men right aboard the ships. If the American shipowners or the Government wanted to spend money on that, they could put two deck boys on every ship, and let them sail for a year as deck boys. Then, after having sailed for a year as deck boys, they could go as ordinary seamen for another 2 years. By the time they have had 3 years, they could go before an inspection board, and they would be a little better qualified.

The CHAIRMAN. Are you opposed to the training section of this bill?

Mr. LUNDEBERG. I believe there is a better way to do it than through that training section.

The CHAIRMAN. Is it desirable to have a systematic method of training?

Mr. LUNDEBERG. A systematic method of training is desirable. You could have a systematic method of training right aboard the merchant marine vessels as they have on the European vessels.

The CHAIRMAN. That is the way they used to make doctors. They would put a young man in a doctor's office and after a while he was a doctor. But society came to disbelieve in that kind of nonsense. Do you not think it would be a good idea if the Government could have a place where some of the sailors could be given real training, so that when they got through they would be competent oarsmen, and could perform all the other functions of a sailor's work? Is not that desirable? Is there any objection to it?

Mr. LUNDEBERG. Yes. I think it would be a waste of the taxpayers' money to establish a lot of schools. I cannot see what is wrong with this way of training, the way I got it. When I became an able-bodied seaman, I had to sail 12 months as a deck boy, 12 months more as a young man, and then 12 months more as an ordinary seaman. After 36 months, if in the judgment of the master I was an able-bodied seaman, he notified the authorities in writing that I was qualified.

The CHAIRMAN. To maintain that extra crew would cost money. You could, possibly at the same cost, put a man in an institution where there was training. Would not that be a desirable thing?

Mr. LUNDEBERG. No. I do not believe that they can train sailors ashore.

Senator THOMAS of Utah. Where were you trained, Mr. Lundenberg?

Mr. LUNDEBERG. In deep-water sailing ships.

Senator THOMAS of Utah. What country?

Mr. LUNDEBERG. Out of Norway.

The CHAIRMAN. You asked me a moment ago, Senator Vandenberg, about the report from the Steamboat Inspection Service.

Senator VANDENBERG. The so-called Jones report.

The CHAIRMAN. Yes. Let me ask you a question, Mr. Lundeborg. Did you talk to Mr. Jones?

Mr. LUNDEBERG. I talked to him in San Francisco.

The CHAIRMAN. Has he made his full report?

Mr. LUNDEBERG. No; I do not think he has. He told me that he had to go to Seattle. Part of the crew came back on the *President McKinley*, but so many men volunteered to stay by the vessel and see if they could save the vessel, and they were coming in on another vessel, together with the master.

The CHAIRMAN. We have certain reports which, it now develops, are preliminary reports. The full report on the *Hoover*, it seems, will not be available for a month. Further examinations must be made.

Senator VANDENBERG. Are you satisfied, Mr. Lundeborg, that when the so-called Jones report is made, it will be a fair and reliable report?

Mr. LUNDEBERG. I believe it will, because it is taken in the Federal court under oath, and I believe it will be a fair report.

Senator VANDENBERG. Do you think we would be justified in taking the Jones report as reliable?

Mr. LUNDEBERG. Yes. The hearing was conducted open to the public, and testimony was taken from the crew and officers. I do not know whether they took any from the passengers, but I hope they did.

The CHAIRMAN. Is that the way the examination was made in San Francisco, in the manner you suggest?

Mr. LUNDEBERG. That is the way the examination was conducted.

The CHAIRMAN. Then, when this report comes in, you would be inclined to think that it would be a dependable and reliable report.

Mr. LUNDEBERG. Yes.

Senator THOMAS of Utah. You mentioned a moment ago that when a ship struck the pay of the men stopped, under our American law and our American system. Now you have just said that part of the *Hoover's* crew volunteered to remain back to see what they could do for the ship.

Mr. LUNDEBERG. Yes.

Senator THOMAS of Utah. Do you mean that those men would be working for nothing all that time?

Mr. LUNDEBERG. No. They will get paid, because the master asked them to stay by the vessel to try to save the property for the company itself.

Senator THOMAS of Utah. Do you think that if there had been disorder on the ship, as it has been pointed out in so many reports, bad as it was, the captain would call for volunteers to stay with him?

Mr. LUNDEBERG. No. If it was such a tough crew as described in the papers, I do not imagine any master would ask them to stay by.

Senator THOMAS of Utah. Could he have ordered them to stay by, or did he have to call for volunteers?

Mr. LUNDEBERG. He could not order them to stand by after the passengers and the gear were ashore. They volunteered. They asked for volunteers.

Senator THOMAS of Utah. That is, he called for volunteers.

Mr. LUNDEBERG. Yes.

The CHAIRMAN. Some of the complaints made on shore by the passengers were to the effect that they could not be fed, that the ship's cooks would not prepare the food. Would they be under obligation to do it, if they were shipwrecked in that way? Would these cooks be expected to do this?

Mr. LUNDEBERG. Yes. If a man was ashore like that, and shipwrecked, a man would be expected to do that, or should do that.

The CHAIRMAN. Let me turn from that for a moment. We must hurry on if we can.

What is your feeling about the hiring halls?

Mr. LUNDEBERG. I feel that the way we conduct shipping on the Pacific coast today is the only satisfactory way to handle it, and even the shipowners agree to that.

The CHAIRMAN. That is in the C. I. O. contract?

Mr. LUNDEBERG. I do not know anything about the C. I. O. contract. We had that on the Pacific coast for 3 years before they even thought of the C. I. O. in American industry.

The CHAIRMAN. Is this the method you have been using? I read from page 420 of the hearings before the Committee on Commerce and the Committee on Education and Labor of the United States Senate, January 11, 1938.

Sec. 1. While this agreement is in force, the company agrees to secure all the unlicensed personnel required for the manning of its vessels through the hiring halls maintained by the union exclusively, and the union in turn agrees to furnish men who are properly certificated under the law.

Is that the way you have been doing?

Mr. LUNDEBERG. I imagine this is copied more or less from our agreement. Our agreement reads that the shipowners will hire men at the offices of the Sailors Union of the Pacific. They are the offices, not the hiring halls. They come up to the Sailors Union office, and they have dispatchers, and they get the men. We then obligate ourselves to furnish competent men.

The CHAIRMAN. That is the system which has been used?

Mr. LUNDEBERG. That is the system which has been used on the Pacific coast since the 1934 strike. That is one of the things we took. They did not give that to us.

The CHAIRMAN. These hiring halls, as I understand it, are in the headquarters of the union, are they not?

Mr. LUNDEBERG. No. I cannot compare our conditions with those, because I do not know how it is, but I will explain how our system works on the Pacific coast. After all, we have had it for 3 years. The headquarters of the Sailors' Union of the Pacific are in San Francisco. We have an office in the port of Vancouver, B. C., an office in Seattle, Wash., Gray's Harbor, Portland, Oreg., San Francisco, San Pedro, and Honolulu. We also have an office in New York to furnish men to west coast ships. When a mate on board a vessel wants 2 or 3 sailors, or 10 sailors, he calls up the Sailors' Union office in the various ports he might be in, and we send him down whatever he asks for—2 men, 3 men, or 10 men—and we oblige ourselves to furnish competent men. If a man goes aboard ship drunk, the mate fires him. If he is not competent, the mate can also fire him. So, they have the privilege of rejecting a man, if a man cannot "cut the mustard."

The CHAIRMAN. Mr. Lundeberg, is there not a law on the statute books about the hiring of men?

Mr. LUNDEBERG. I understand that under the statute the shipping commissioner is supposed to do something.

The CHAIRMAN. That has been the law since 1872. Under the law the general duties of the shipping commissioner are, first, to afford facilities for engaging seamen by keeping a register of their names and characters; second, to superintend their engagement and discharge in the manner prescribed by law; third, to provide means for securing the presence on board at the proper time of the men who are so engaged.

Was not that a satisfactory arrangement?

Mr. LUNDEBERG. It might have been. It never was used, to my knowledge.

The CHAIRMAN. It never was used?

Mr. LUNDEBERG. It never was used since I started to sail on American vessels. They never hired men——

The CHAIRMAN. I do not know about your section, but it was used in New York.

Mr. LUNDEBERG. It was? I do not think they would be able to do it as well as we can do it, and I will tell you the reason why. The man who conducts the dispatch of seamen out of our hall is elected by the membership on a referendum vote. He is responsible to the membership. If he did something out of line, for instance, favored anyone, or did something that was not right, that man could be taken off that job within 2 hours. That is an honest way. Now, the way it was conducted before, not only under the ship-owners' hiring halls, but also under the Shipping Board, there were a lot of favors done.

The CHAIRMAN. I think you are right about that, Mr. Lundeberg, but you may recall that the owners' hiring hall plan was resisted by a sailor, and the matter was taken to court.

Mr. LUNDEBERG. That is right.

The CHAIRMAN. And the court held, in *Anderson v. Shipowners Association*, that the hiring hall was in restraint of trade, and was a violation of the law. Why is the hiring hall that you are talking about legal if the other one was not?

Mr. LUNDEBERG. I am not familiar with the law. I know that we went to court about it in——

The CHAIRMAN. 1926.

Mr. LUNDEBERG. We first had it in the California courts, both in the district court and the circuit court of appeals. Then Judge Sutherland, in November 1926, reversed the decision of the lower courts and told them to go to work on it again. However, the District Court of California, and also the circuit court of appeals down there, did not see fit to revise it. They certainly did not change their opinion about it. They stopped registering the men, however, after the decision was handed down by Judge Sutherland.

The CHAIRMAN. Senator Bailey, if this were the law, and the shipping commissioner were shipping the men, and the court held that the hiring hall was illegal, I suppose that the men on a given line could contract together about that, could they not?

Senator BAILEY. Have you read the New York Times this morning? If so, you will see that the Court of Appeals of the State of New

York has upheld the legality of the closed-shop law. That is on the front page of the New York Times.

The CHAIRMAN. This is the same thing, is it not?

Senator BAILEY. Of course, the legality of the closed shop runs directly into that old doctrine of restraint of trade. The closed shop is restraint of trade. That is to say, I could not get my job unless I belonged to the union. That was the old law, but the State of New York yesterday—I have not read the opinion, because it is not in the paper, but the digest of it is in the newspaper report—I take it that we are running directly into that now.

Take the National Labor Relations Act, which was upheld by the Supreme Court. The Court did not pass precisely on that point. It did not say how it would be if some man should come in and say, "I was excluded from my job because I did not belong to the union." But it did say that men who do not belong to the union, in a minority in a trade or employment, are bound by the collective bargaining agreement, and it went further and said that that was so related to interstate commerce that it gave Congress jurisdiction to pass the act on the ground that that was to eliminate obstructions to commerce.

There has been some modification of judicial opinion on those subjects. I do not think we can avoid the conclusion that there is a decided modification in labor legislation and adjudications on this question of restraint of trade. Twenty years ago I can see how they would throw out the law, just as they did; but now it is a serious question whether they will or not.

To go a little further, I understand now that under the National Labor Relations Act an employer no longer has the right to discharge the employee. It is referred to the National Labor Relations Board, and they can pass upon the righteousness of it, in the exercise of their discretion. That also is restraint of trade. That gives it to somebody else, primarily to the union to which he belongs, and secondarily to the National Labor Relations Board. So there is a great deal of modification on that doctrine of restraint of trade.

The case to which you referred, Senator, was based on the old common law, which allowed reasonable restraint of trade, and disallowed unreasonable restraint. There has never been any doctrine in the law against reasonable restraint of trade. The court decides whether it is reasonable or not. That question was considered in the *Standard Oil cases*, and also in the *American Tobacco Co. case*. Justice White handed down the opinions and laid out fully for our people the old doctrine of reasonable restraints of trade. There is your point. You could hold it to be unreasonable 20 years ago, and you could hold it to be reasonable now. That is the exercise of judgment by the Federal court. I think there is your point. What is reasonable at one time is unreasonable at another.

Senator BERRY. Mr. Lundeborg, you made reference to the restoration of the system established by Mr. Furuseth years ago, in the matter of settling differences.

Mr. LUNDEBERG. Yes.

Senator BERRY. Does that mean differences under an existing contract, or does it have to do with the establishment of new contracts?

Mr. LUNDEBERG. That is under existing contracts.

Senator BERRY. That is the instrumentality used in the event of differences arising during the life of the agreement?

Mr. LUNDEBERG. That is right.

Senator BERRY. The processes, as I understand it, are, first, when the difference is raised, it is taken up, as the first step, by the representative of the union with the representative of the shipowners, the captain of the port.

Mr. LUNDEBERG. That is right.

Senator BERRY. If the matter cannot be composed by that process, then it goes to a board on which there is equal representation, and they undertake to compose the matter. If they are unable to compose the matter, the board has the authority to bring in an odd member, who joins with the board as a voting member.

Mr. LUNDEBERG. That is right.

Senator BERRY. And the majority of the board determines the issue. Is that the process?

Mr. LUNDEBERG. That is the process. The seventh man, the outside man, acts as referee, and he will hand down a decision.

Senator BERRY. It is not a matter, then, of the majority vote? It is a matter of his vote.

Mr. LUNDEBERG. Yes, sir.

The CHAIRMAN. Senator, in the C. I. O. contract they have an arbitration board, consisting of three members representing each side, just as this board of which Mr. Lundeborg speaks is composed. Then they call a seventh member from the arbitration organization in New York, who sits with them.

Senator BERRY. The American Arbitration Society.

The CHAIRMAN. Yes. That is the way their differences are composed.

Senator BERRY. I think that is an admirable procedure. Is this process to which I have referred being accepted generally by both sides?

Mr. LUNDEBERG. Yes.

Senator BERRY. Is it being lived up to?

Mr. LUNDEBERG. We live up to it. We suggested it. We have used it from 1902 to 1921. This was nothing new to us, and it was nothing new to the shipowners. We just started to put it in motion again.

Senator BERRY. What is the possibility of extending that principle into the negotiations of new agreements?

Mr. LUNDEBERG. It works on that line more or less, anyway. The members of the union elect a committee to meet with the shipowners. The shipowners elect a committee to meet with the seamen, and it is more or less just like a port committee. However, there is no seventh man in there.

The CHAIRMAN. Would it be desirable to have one?

Mr. LUNDEBERG. No.

The CHAIRMAN. That is really the issue, is it not?

Mr. LUNDEBERG. That is right.

Senator BAILEY. This witness feels that he could get along by collective bargaining with the operators, through the union. Is that true?

Mr. LUNDEBERG. Yes.

Senator BAILEY. And you are opposed to the principle of arbitration in this instance. Is not that your whole position?

Mr. LUNDEBERG. Yes. We are opposed to the principle of arbitration.

Senator BAILEY. You are a little wary of this thing of Federal control, are you not?

Mr. LUNDEBERG. Yes. We have discussed it in the past 6 months all up and down the coast.

Senator BAILEY. I do not blame you at all for being wary of it. I am wary of it myself.

Senator BERRY. With all of which I agree, Senator. Of course, you have had long experience, but you have had some violent situations between the day Andrew Furuseth established the principle and its present-day application, have you not? There have been sad experiences, have there not?

Mr. LUNDEBERG. That is right.

Senator BERRY. I am wondering if those sad experiences you had in that transition period were not more costly and more violent to the interests of your membership than perhaps the settlement by arbitration and the continued arbitration and coordination of the two interests. I ask you that question because I have had some experience in this respect. I am opposed to compulsory arbitration, and I join Senator Bailey in my opposition to continued interference by the Government in the settlement of matters between men engaged in business. These men in your organization are in the shipping business, and I believe that the shipowners and the sailors can best adjust their problems, because, as you well said, they know more about them than an outsider.

Bringing it up to your relationship with the shipowners, and not with the Government, as between peaceful adjustments and war, do you not think that an agreed process of arbitration as between the shipowners and your union would be better than war?

Mr. LUNDEBERG. The time might come. That might happen at any time. If the shipowners and the sailors agreed to arbitration, then they would choose the arbitrators.

Senator BERRY. That is genuine collective bargaining, is it not, between the parties involved?

Mr. LUNDEBERG. That is right.

Senator BERRY. You can reach the point of arbitration of it, can you not?

Mr. LUNDEBERG. Yes. There may be things with respect to which we can agree to refer them to an arbitrator, but we object to any Federal laws being established to tell us what to do, because we feel that we know more about it, regardless of how fair a board might be. No doubt it would be fair enough, but they do not know the conditions, and cannot hand down an intelligent decision.

Senator BAILEY. You are unwilling to have the Congress select your arbitrators.

Mr. LUNDEBERG. Yes.

Senator BAILEY. When you vote for Congressmen, you vote for one member of the House, do you not? That is all you can vote for.

Mr. LUNDEBERG. Yes.

Senator BAILEY. One out of four hundred and thirty-five.

Mr. LUNDEBERG. Yes.

Senator BAILEY. And 2 Senators out of 96.

Mr. LUNDEBERG. Yes.

Senator BAILEY. In an arbitration you feel that you can have a larger voice, do you not? In an arbitration you would cast vote for vote, would you not?

Mr. LUNDEBERG. In an arbitration it is left——

Senator BAILEY. In an arbitration between you and the operators you would cast vote for vote.

Mr. LUNDEBERG. That is right.

Senator BAILEY. So it amounts to the difference between 50 percent and the percentage represented by 3 out of 435. That is about one-fifth of 1 percent.

The CHAIRMAN. One of the objections which I had to the hiring hall—at least I had it up until yesterday, and perhaps I was convinced yesterday that I was mistaken—is the matter of rotation, or the rotary plan that would preclude the shipowner from maintaining certain selected members of the crew who have been satisfactory to him. Does that actually work out in practice?

Mr. LUNDEBERG. No.

The CHAIRMAN. A man cannot be put on the beach?

Mr. LUNDEBERG. That is absolutely not true. A man can stay aboard ship as long as he wants to. Nobody tells him to get out. If he wants to stay there 10 days, or 10 years, that is up to him, and if the shipowner wants to keep him for 10 years, that is all right. He can stay there. If the shipowner wants to fire him, the man is fired.

The CHAIRMAN. Suppose that the man the shipowner wants to keep is not a member of the union. What about that?

Mr. LUNDEBERG. On the Pacific coast today there is no man going to sea who is not a member of the union, and the new men who start to go to sea are given ample "breaks" from our union to become members of the union. Young boys are coming around every month, high-school boys, and so forth, who want to go to sea, and they are getting more of a break today than ever before, under our system. Before we had the control of the ships the poor boy had a hard time if he wanted to go to sea. He could not go to sea due to the fact that he had to have a pull with some official in a shipping concern. Consequently all the college boys were going to sea in the summertime, and the seaman was on the beach. In other words, when I was a greenhorn, if a boy wanted to get a job in those days, if he knew the president or vice president, or the assistant manager of a company, he could get a job, but the poor boy who did not know any official could not get a job.

The CHAIRMAN. I understand, Mr. Lundeborg, that you believe in teamwork. Mr. Mullins told me that yesterday. He convinced me that it is not true that there is a rotary system in process. He said, as you have said this morning, that so long as a man stays on the ship, so long as he does not choose to leave that crew, he has a right to stay there.

Mr. LUNDEBERG. That is right.

The CHAIRMAN. You are asking, through the hiring hall, to make replacements of the vacancies that occur at the end of the voyage, is that right?

Mr. LUNDEBERG. Yes.

The CHAIRMAN. Is there any difference of opinion among the representatives of the seamen here in that respect?

(There were several negative responses from the audience.)

Mr. LUNDEBERG. You mentioned Mr. Mullins. I am glad we agree. I do not know the man, and we have never talked it over.

The CHAIRMAN. It must be a good standard doctrine, because that is exactly what he preached.

Mr. LUNDEBERG. I want to say this in your behalf. I have never heard that you have ever broken any of your commitments. I have been informed that you have always been on the level in this game. Do you want to say anything more?

Senator THOMAS of Utah. May I ask one question?

When the hiring hall was controlled by the shipowners and was declared illegal by the courts, why did the sailors take the same medium for hiring, under their control? Why did they not work out some other plan?

Mr. LUNDEBERG. It is pretty hard to tell, but I imagine that there was no other plan available to us. It was at a time when we would have welcomed the Government establishing the hiring hall on both coasts, run fairly. But we were never helped along those lines. As I say, it was in the period when they did not care whether we lived or died. But now we believe that we can handle it ourselves. Also, under the United States Shipping Board, when they conducted service bureaus, there was a lot of discrimination going on, and it was not on the "up and up."

Senator THOMAS of Utah. Do you think that through your control you can avoid the abuses that came into this scheme before?

Mr. LUNDEBERG. Absolutely. We have avoided them right along. We have had this in practice on the Pacific coast for 3 years, and even the shipowners now are very well satisfied. They must be, because they do not complain about it. They even signed their "John Henry" to it, in all the seaports on the Pacific coast. That was a year ago. They signed the agreement that was argued out between us, and they felt that that was the best way.

Senator THOMAS of Utah. Then the abuses are not inherent in the agency itself, but in the way in which the agency is controlled.

Mr. LUNDEBERG. That is right.

The CHAIRMAN. It was explained to me yesterday that these men in the union are watchful enough so that they are not going to let some dispatcher, for a 10-dollar bill, make a wrong selection. Is not that right?

Mr. LUNDEBERG. Yes.

The CHAIRMAN. Have you anything further, Mr. Lundberg?

Mr. LUNDEBERG. I just wanted to make a short statement. Our organization feels that the Department of Labor is the only department which should handle any labor problems. We do not believe that we need any more boards of any kind. When the Department of Labor was established by the Government as an administrative force in the United States, it was established for labor and employers to go in there and get their troubles settled. It is suggested that we should have some more boards. We believe that we belong in the Department of Labor. We have been getting a break from the Department of Labor. Sometimes we do not like certain things, but

other times we do. As I stated before, I think it was the Department of Labor which talked the shipowners into meeting with us when the last strike was successfully ended.

The CHAIRMAN. That was largely a matter of mediation. There is nothing in the law, so far as I have been able to find out, that gives any authority to the Department of Labor. That is rather interesting, but that seems to be the fact. In the law of 1936, the so-called Copeland Act, the Labor Department is mentioned. That is, a report should be made to the Labor Department. But there was no description given, and nothing was put in the law to indicate why or what the Labor Department was to do. Are you aware of that situation?

Mr. LUNDEBERG. Yes; I am aware of that situation. I know they can act as mediators. At least, they have done so time and again out on the coast, agreeably to both parties.

The CHAIRMAN. And you think they did a good job?

Mr. LUNDEBERG. Yes. Of course, it is not compulsory. It is not compulsory that we take the Department of Labor, but both parties have from time to time agreed to ask the Department of Labor to send a man out there, and they have done a pretty good job.

The CHAIRMAN. Have you something further to offer?

Mr. LUNDEBERG. That is all.

Senator BAILEY. If we created this board of mediation, and then provided that it should be used only when both parties agree, would you object to it then?

Mr. LUNDEBERG. Yes. We would object then, too.

Senator BAILEY. You would not have to take it if you did not want to?

Mr. LUNDEBERG. It is too easy a step to get something added to it. In other words, you might establish it under those conditions, but a year after something might be added to the law. I believe that the relations between the seamen and the shipowners should be handled directly between themselves, and the men are so bitterly opposed to the establishment of any mediation board beyond the industry that it might create a worse situation than exists now. It is the same way with the hiring halls. If you establish hiring halls now under a different situation, I imagine the men would refuse to take a job from there. That would be the sentiment of the men, and everything would be more or less tied up.

This is nothing new to these men. They have discussed it back and forth, and they have had experiences with it. Those are their ideas on that subject. We are getting into a state too closely resembling the situation they have in Germany, Italy, and Russia, where a man is told what to do, whether he likes it or not. There is danger of democracy turning into fascism, or something else—whatever they call it. It is the same thing under different names.

Senator BAILEY. That is the result of this general policy of centralizing control at Washington.

Mr. LUNDEBERG. That is right.

Senator BAILEY. You had a written statement. Do you wish to put your written statement in the record?

Mr. LUNDEBERG. Yes. I should like to put it in the record.

The CHAIRMAN. It will be included in the record.

(Mr. Lundeborg submitted the following material for inclusion in the record:)

STATEMENT OF THE OPPOSITION OF THE MEMBERSHIP OF THE SAILORS UNION OF THE PACIFIC TO THE PROPOSED SENATE BILL 3078 TO AMEND THE MERCHANT MARINE ACT OF 1936

The membership of the Sailors Union of the Pacific sent me to Washington, D. C., to voice their opinion and sentiment against the proposed Mediation Act for Seamen.

We have analyzed Maritime Commissioner Joseph P. Kennedy's report to the Senate and House committees and we would like to state our reaction to these statements.

In order for the Congressmen and Senators to get the right slant on our side of the question, it is necessary that we bring in a little back history.

HISTORY

The Sailors Union of the Pacific is the oldest maritime union in the field. It was organized in 1885 in San Francisco. From 1902 to 1921, the Sailors Union of the Pacific was recognized by the shipowners as the bargaining agency for the seamen. Our organization had direct negotiations for the seamen with the shipowners. During this time, practically all of the shipping of seamen was done through the offices of the Sailors Union of the Pacific. In 1921 the wages established through direct negotiations between the union and the shipowners was \$90 per month, \$1 per hour overtime, and an 8-hour day—the highest wages seamen had ever had.

At that time, in 1921, the United States Shipping Board was the largest shipowner in the country. They, together with the other shipowners, made drastic demands for the cutting of wages for the seamen. When the seamen refused to accept these wage cuts, the Shipping Board and the shipowners locked out the seamen. This lock-out lasted from the month of May to August; this lock-out was also on a Nation-wide basis. Through the combined efforts of the United States Shipping Board and the shipowners, the seamen were beaten and the unions were crippled.

During this period the shipowners, the Pacific American Steamship Association, together with the Ship Owners Association of the Pacific, joined the Waterfront Employers Union and started operating what they called the Marine Service Bureau, an employment agency which furnished strike breakers during the lock-out. After the lock-out was over, the unions crippled, and the men forced to flock back to the ships, they found out that some of the most militant men were blacklisted through this so-called Marine Service Bureau which demanded that every seaman register through this so-called fluk hall before they could get employment.

From that time on and up to 1934, the shipowners had things their own way. During this period wages and conditions went from bad to worse. The established 8-hour day was done away with and wages were cut time and time again. Shipping was done through these fluk halls and conditions going to sea got so bad that a lot of good seamen, real seamen, stopped sailing. The policy of the shipowners in operating these halls was not to question the ability of the men, or their background, but rather their one question was: "How cheap will you work?" Thus lots of bad elements got into the industry and bona fide seamen either left the sea or the ones who stayed had to keep their mouths shut for fear of getting blacklisted.

In 1924 the Sailors Union, together with the International Seamen's Union, attempted to alleviate their conditions by political action and backed La Follette in his campaign for the Presidency. When this attempt failed we took our case to the courts. All to no avail.

During this period men were driven away from the union and were demoralized by the conditions under which they had to work. These conditions existed during the so-called boom years—1924 to 1929—when wages in all other industries had risen to their greatest heights. Living costs had risen accordingly and seamen had to meet the rising cost of living with decreased wages, due to the fact that they had no economic weapon—a strong union to protect them.

In 1928 the Jones-White bill was passed by Congress which gave the shipowners large loans from the Government at a very low rate of interest, in order that they might build ships. After the ships were built Congress gave them large mail subsidies. During this time Congress passed laws to help the shipowners to build ships and giving them fat subsidies, but nothing was done for the seamen.

The shipowners, on the other hand, were using the cheapest kind of labor, regardless of whether they were qualified as seamen or not. And we can safely say that in those days we didn't see any headlines in the newspapers about how inefficient the American seamen were or how badly they behaved themselves; when as a matter of fact, during these years some of the worst elements that ever sailed were manning the ships. A man could get a job on board a vessel as long as he took the coolie wages offered by the shipowners. We can say that during this period, from 1921 to 1934, as far as the seamen and their conditions were concerned, Congress, the lawmakers in Washington, didn't care whether they lived or died and neither did the shipowners. Indirectly the Government helped the shipowners keep these conditions for the seamen.

EXPERIENCE WITH ARBITRATION

In 1934, the seamen having by that time been driven to desperation, and failing to get any redress for their bitter grievances, they finally woke up to the fact that in order to better their own conditions they would have to take the one action which would force the shipowners to listen. They walked from the ships, to a man, on the Pacific coast. After the 1934 strike was over, we went back to the ships under the condition that we would negotiate our differences, wage claims, etc., with the shipowners. However, nothing was done and the Government appointed a Longshoremen's Board, who in turn appointed another board to arbitrate the matters in dispute: wage claims, conditions, etc.

In April 1935, after 9 months of deliberation, this arbitration board handed down a decision. In the meantime, during this 9 months of delay, the men got very impatient and took matters into their own hands. By refusing to sail ships under prevailing conditions they established higher wages and better conditions. By the time the arbitration board handed down its decision, the seamen had already obtained better wages and conditions than those contained in the ruling of the board. The seamen were then convinced that arbitration boards could be of no benefit to them, that they had to depend upon their own economic strength, the strength of their union, in order to better their conditions or obtain any benefits whatsoever.

This long-delayed decision of the arbitration board, which didn't give the seamen anything they had not already obtained for themselves, increased the resentment of the seamen toward arbitration boards. They felt that their problems had not been given the consideration they deserved—the decision of the arbitration board decided nothing. The seamen felt that they, and only they, who worked in the industry, could come to an agreement with the shipowners that would be satisfactory. They felt further, that no board composed of people, no matter how just, fair, and impartial, could come to a valid decision in regard to the wages and working conditions of the seamen, when they had no first hand knowledge of the situation.

The period immediately following the decision of the board was marked by a great unrest amongst the men. This unrest grew until in the fall of 1936 the seamen felt it was necessary to do something in order to obtain the conditions they had asked for in 1934 before they went on strike, and which had not been granted by the arbitration board.

THE STRIKE OF 1936-37

In August 1936 the seamen's union asked the shipowners to meet with them and discuss a new wage agreement. This the shipowners refused to do and stated that they would submit the matter to arbitration. Their interests had been so well served by the arbitration board after the 1934 strike that they were perfectly willing to submit to arbitration again. On the other hand, the seamen having gotten a raw deal, were unwilling to submit to this method of settling their differences.

The seamen took a strike vote in the month of September 1936; the vote for the strike was 99 percent in the sailors' union. After the vote was taken the Department of Labor and the Maritime Commission, which had been newly formed by the Merchant Marine Act of 1936, asked that the strike be delayed for 2 months. It was finally agreed, although strongly opposed by the seamen, to postpone action for 15 days; this was later increased to 30 days. During this 30-day period there were frequent conferences with the Department of Labor and the representatives from the Maritime Commission who was sent to the coast from Washington, D. C. The only concrete suggestion made was that

action be delayed so that an investigation could be made by the Maritime Commission. Nothing of a concrete nature could be promised, and the seamen, whose living conditions and economic status were in question, would not consent to wait for an indefinite length of time, especially since it was more than possible that nothing would be gained in the end.

The strike was called in October 1936. After the strike began it was again proposed that the demands of the seamen be submitted to arbitration. The seamen again refused to submit to arbitration; it was their firm conviction that the only way their differences could be settled to their satisfaction was by direct negotiations with the shipowners through their own duly chosen representatives. Only by making their own agreements could they guarantee that the agreements would be kept. We finally met with the shipowners in January 1937 and negotiated our own agreement, which was accepted by a 90-percent vote of the membership.

In the agreement with the shipowners, we set up jointly what is known as a port committee to settle disputes which might arise under the agreement. This port committee set-up was introduced by the sailors' union and had been used by the sailors' union and the shipowners from 1902 to 1921, when relations between the sailors' union and the shipowners had been most satisfactory. The port committee is composed of an equal number of representatives from each union involved and the shipowners. In the event of a deadlock, provision is made for calling in an impartial person to act as referee. This port committee has been functioning very effectively since the termination of the 1936-37 strike. In the sailors' union 100 percent of the grievance cases have been settled by this method, without calling in a referee, to the satisfaction of both the sailors' union and the shipowners.

SPECIFIC OBJECTIONS TO S. 3078

We, the Sailors' Union of the Pacific, object to the establishment of a mediation board, as recommended by Commissioner Joseph Kennedy and proposed by Senator Copeland, in S. 3078, for the following reasons:

1. It takes from the workers their most important means of protection—strike action.

2. It delays for months the settlement of grievances.

3. It will ultimately put the sailors in the same category as the seamen of Italy, Germany, and Russia, whose right to economic action has been completely taken away from them, and consequently their conditions are not what they want but what have been forced upon them by edict.

4. We, as seamen, believe we should have the same right as other American workers, the right to have a direct voice in the determination of our own working conditions.

5. Seamen are entitled to the prompt adjustment of grievances by means of direct negotiation. But all experience has shown that negotiations can be fruitful only if the unions have the power and freedom to back up reasonable demands by strike action. This proposal would tie up the adjustment of the most pressing grievances in so much red tape and involve so many delays as to be tantamount to a virtual stoppage of the right to strike. The American seamen can never agree to such an infringement of their rights.

6. Furthermore, the adoption of this proposal, with its provision for endless delays, would involve the industry in prolonged periods of unrest and uncertainty injurious to normal functioning and to the morale of the seamen. Drawn-out delays in the adjustment of grievances would tend to demoralize the workers and lead to all kinds of sporadic actions beyond the control of the unions.

7. In any case, a proposal of this kind could have a reasonable chance of success in practice only if all parties agreed to it. I cannot speak for the other industries and other unions, but I do know the situation in the maritime field and the temperament of the seamen. They look upon this whole measure with hostility. The sentiment of my organization is unanimous in opposition to such measures. An attempt to impose it upon them, against their will, will only worsen the situation and not improve it.

DISCIPLINE

In the last few months the seaman has been constantly accused of lack of discipline, insubordination, and bad performance aboard ships. This publicity

has been carried on through the newspapers, leading magazines, and statements by various people in public office to such an extent that by now the front pages of the Nation's papers are covered with stories about the "undisciplined" American seamen, etc., which in their language is ruining the American merchant marine. We know that these stories are not based on facts but on assumptions.

As a matter of fact, the United States Federal laws take ample care of the handling of "undisciplined" seamen. If a man refuses duty on the high seas on American ships he can, according to the laws, be prosecuted for mutiny, which carries a sentence of from 3 to 5 years. Secondly, before an American seaman goes to sea today, he must sign articles before the United States shipping commissioner with a Government certificate, called the certificate of efficiency. We quote you section 13 (h) of Merchant Marine Act of 1936, 8957:

"Sec. 13. (h) That all certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provision of 4450 of the Revised Statutes."

Revised Statutes, section 4450:

"Investigation of conduct of officers: The local boards of inspectors shall investigate all acts of incompetency or misconduct committed by any licensed officer while acting under the authority of his license, and shall have power to summon before them any witnesses within their respective districts, and compel their attendance by a similar process as in the United States circuit or district courts; and they may administer all necessary oaths to any witnesses thus summoned before them; and after reasonable notice in writing, given to the alleged delinquent, of the time and place of such investigation, such witnesses shall be examined, under oath, touching the performance of his duties by any such licensed officer; and if the board shall be satisfied that such licensed officer is incompetent, or has been guilty of misbehavior, negligence, or unskillfulness, or has endangered life, or willfully violated any provision of this chapter or chapter 14 or 15 of this title, they shall immediately suspend or revoke his license. * * *

This in itself takes care of any undisciplined crews. In fact, in our opinion, as we stated when we appeared before the House Committee on Merchant Marine and Fisheries last year, this is too severe a law. This takes care of discipline on American ships, which is left entirely in the hands of the Government Bureau of the Steamboat Inspection Service, under the Department of Commerce. We maintain that the department of Steamboat Inspection Service has more than enough power to invoke discipline under this act, and that thereby anyone accusing the seamen of lack of discipline is in reality accusing the Department of Commerce of failing in its duties.

MISLEADING PROPAGANDA

We have been told that we have been accused by certain parties and all the newspapers that the trouble in the shipping industry lies entirely with the seamen. This we believe is just a camouflage to cover up the real reason for the sickness of the American shipping industry. We believe that, instead of investigating and curtailing and passing laws to chain the seamen, the Maritime Commission would do better to investigate the capabilities of various concerns in the shipping industry.

It seems peculiar that other nations' ships can sail out of American ports year in and year out, good years and bad years, as they call it, with full cargoes, while American ships, our shipowners claim, cannot operate except at a loss.

At one time during the shipping era the United States was leading the world in shipping, with some of the fastest ships in the world—the Yankee clippers—and held their own and better against any nationality afloat. Those days the American shipping lines were run by people who knew the score. Today the American ships, especially the freighters, are some of the slowest ships afloat, while most of the foreign freighters running out of American ports are modern vessels, making from 18 to 20 knots' speed, while the American freighters, on an average, are making a speed of about 10 to 12 knots.

The American bankers, who, we believe, control most of the shipping companies in this country, should have used some of the money and profits which have been given them from time to time by the Government, through mail subsidies and practically gifts of various ships, to build up the American merchant marine. They could have done this if they had had the interest of the

shipping industry at heart, instead of big bonuses and the coining of millions of dollars when going was good. Now, when shipping is slow, they are again calling on Congress for additional appropriations.

The seamen have been singled out as the sole cause of the so-called "sick maritime industry." Perhaps it would be well to look and see who really is to blame for this "sick industry." We certainly are not. We believe that certain unscrupulous bankers are the ones who are really to blame for the conditions prevailing today in the maritime industry. And we don't think we should be made the goat.

We believe that your honorable committee should investigate this matter of publicity in order to find out whether or not this propaganda which is spread against the American seaman is not only a blot against the seaman but also one affecting the American merchant marine as a whole.

We believe that there may be a possibility that certain foreign shipping interests are paying people in the United States to start this propaganda in order to wreck the merchant-marine industry, which it will ultimately do with such propaganda.

HARRY LUNDEBERG,

Secretary-Treasurer, Sailors' Union of the Pacific.

The CHAIRMAN. Mayor Carson, you have been very patient this morning. We shall be glad to hear from you now.

STATEMENT OF HON. JOSEPH K. CARSON, MAYOR OF PORTLAND, OREG.

Mr. CARSON. Mr. Chairman and members of the committee, I am not here representing any union or any group of men, nor any ship-owners, but I am here representing the people of my State and my city, who, ever since Oregon has been a State, have had to depend on water-borne commerce to take the heavy and raw products of Oregon to the intercoastal ports, the coastwise ports, and into the foreign markets.

There is one thing that came out here that it seems to me would bear investigation, and that is as to whether or not, in some of these matters, ship masters, and other members of the crew are free to tell the truth, free to testify, or whether or not they would be black-listed so that the crews would not sail with them if they came in and told the truth concerning a situation. That has been so currently rumored that I think it is something that should properly be investigated.

I have a letter here which I should like to read into the record. It was left at the hotel for me on Sunday by a man who had to leave. He says:

You may say for the fruit and allied industries of the Pacific Northwest:

1. We are dependent for our very existence on a free movement of our perishable products to export markets.

2. Thirty-five percent of our production of apples and winter pears must be exported in order to maintain any semblance of a domestic market, and that this much or more does normally move to export.

3. The large producing districts of Medford and Hood River in Oregon and Yakima and Wenatchee in Washington are dependent upon the ports of Portland and Seattle to move these goods.

I suppose he means to include Tacoma also. [Continuing reading:]

4. At great expense modern facilities have been provided in these ports and producing areas to permit the proper and prompt handling of our highly perishable fruits—such as cold-storage plants at point of production; and similar facilities in the ports.

Incidentally, I am here officially representing not only the city, but the Commission of Public Docks, the members of which are appointed by me. We maintain these vast cold-storage facilities.

At the suggestion and request of our industries foreign capital, mostly Scandinavian have, in very recent years built and placed in service for our use almost exclusively, a fine fleet of the most modern type of fully refrigerated vessels afloat.

Our product is established and appreciated in all foreign markets and we have devised the highest standard of pack in the world. By reason of our facilities we make the best deliveries to foreign markets.

All of this is endangered by the present attitude of maritime labor. Our costs of handling have increased to the point where they are unbearable. Freight rates from Portland and Seattle to European ports were increased 10 cents per box all by reason of increased port charges and all at the expense of the producer.

That may be just his conclusion, that labor may be responsible, but, anyway, they know something is responsible. [Continuing reading:]

The continued uncertainty of movement of goods from our ports is continually disrupting our business abroad, creating lack of confidence in our ability to deliver goods to foreign receivers causing them to look elsewhere for supplies. We are and have been losing business to South Africa, the Argentine, and Australia, due to these conditions.

During the longshoremen strike of a year ago we were forced to move by rail to Vancouver and New Westminster over 5,000,000 boxes of our fruit at a loss of six and a quarter cents per box to Hood River growers, and two and a quarter cents to Medford growers.

Our entire industry on the coast cries for relief against the intolerable labor conditions surrounding the maritime industry. We must have the same sort of stability as is (had) by the railroads on our domestic business.

We urge competent legislation to this end.

That was signed by Mr. R. R. Peter, who is vice president of the Pinnacle Packing Co., Inc., of Medford, Oreg., and president of the Oregon-Washington-California Pear League, Inc., Medford, Oreg., and representing all the Pacific coast exporters of fresh fruits. I am sorry that Senator Bailey left. He brought up a question here when Mr. Lundeborg was testifying, to the effect that he could vote for only one Congressman and two Senators out of 435 members of the Congress.

I take this position—and the people of my State and of my city back me up in it. We have no concern with the welfare of a ship-owner, or those who are employed in the industry, any further than we have in the common welfare of everybody. But we take the position that it is unthinkable that the United States should put up any money or provide any subsidies or construct any ships, or incur any expense in an industry unless there is performance in that industry, for the reason that we feel that it is quasi governmental when the Government participates and puts in its money.

I do not know as to the best mechanics of continued operation in this industry, but I am told that the industry cannot operate without some Government assistance. That means out of the taxpayers of all the people of our country, and the Congress is not, in my mind, justified in appropriating that money and permitting it to be expended unless and until it is positive that the people are going to get value received for it, namely, in a performance in the industry that will return value received to those who depend upon it.

It is altogether disheartening to our fruit growers, our wool growers, our wheat and lumber producers—but particularly to wool, wheat, and fruit producers, as well as the producers of dairy products—to go ahead and spend their money to build up export markets and domestic markets, and then, when their crops are ready to harvest, and when they are ready to move them and get the returns, to find that they have no way of getting them to market, and that the service upon which they have been depending, and which is paid for in part, at least, out of the Treasury of the United States, is not available. It just does not make sense to have continued interruption in that service, and there must be some formula found to remedy that situation.

I believe that it has cost the people of the Pacific coast \$1,000,000,000 in the last 3 years to have these tie-ups that we have had. But worse than that loss is the loss of confidence.

Let me give you just a few figures here that were sent to me by our commission of public docks.

Of fruits and vegetables combined, in 1932 there were 13 000 tons shipped in the coastwise trade. That is just between the ports of Oregon and Washington and California. There were 18,000 tons in 1933, 12,000 tons in 1934, and when we get down to 1936 we have 2,385.

In other words, as a result of the longshoremen's strike in 1934, the citrus growers of southern California, who had been moving much of that tonnage by water so that it could be sold in our local markets, were deprived of that service; and since then, to the best of my knowledge, none of that citrus fruit has come by boat. They are afraid it will get tied up as it did before.

Our merchants buy a lot in New York—in your city, Senator Cope-land. In 1936 ships were in our harbor with Christmas goods that had been bought and were expected to be used in the Christmas trade. They were on our docks. Not any of that could be moved. Christmas came and went, and it was the 4th of February 1937 before that thing was wound up. I am told—and I believe it can be proved—that on or about December 18, 1936, the grievances and the difficulties between the shipowners and the seamen were actually settled. There was a formula by which all the matters could be adjusted, but at that time Harry Bridges, of the longshoremen, said, "No; there will be no settlement. I am going to let so-and-so get credit for ending this strike."

I believe it is true, and I believe it can be proved. Here is the point I make. It is not only the sailors who are involved, but it is just as much a question of the longshoremen. We do not care what formula Congress may find for insuring a continuity of service, but certain it is that the public is entitled to have something invoked so that we may depend upon that service and not be subjected to the whim and caprice of one man.

I can say to you very frankly that Harry Bridges cannot even vote in this country. You talk about voting, and yet, in my opinion, he holds more power over the operation of the maritime industry on the Pacific coast than all the other people on the coast combined. It appears to have worked out that way.

It seems to me that the public is the first to be considered.

I have here a report, which I do not want to take the time to read, which was prepared rather hurriedly, and perhaps is not complete,

by our commission of public docks, with some exhibits as to what this has cost us. Our exports would run to \$350,000,000 or \$400,000,000 a year, and we are in a position where we cannot use rail facilities in place of water-borne commerce. The products indigenous to our country are too heavy, and they cannot afford to pay that additional charge. In turn, we cannot buy the manufactured products that are made in the East. Eighty-five percent of our manufactured articles, at least, we buy from the eastern section of the United States, and the only way we have to pay for them is to supply to the markets of the East and the export markets those products that we have to sell. That is putting the case as simply as I know how.

We have the feeling that it would be entirely amiss for anything to take place whereby the Government is going to expend any money in the industry unless we know to a moral certainty that the public will at least be warned of these impending troubles so that we can plan accordingly.

There were 91 strikes in the United States, I think, last year, involving 1,000,000 man-hours. I am informed that these figures involve simply what are called the "quickies" and job actions, and so forth, because during the year, at least on the Pacific coast, there was not any complete tie-up.

The CHAIRMAN. You are speaking of maritime labor when you refer to the 91 strikes?

Mr. CARSON. Yes; 91 strikes, involving 1,000,000 man-hours. I am sure that that same information is going to be furnished to you later from a governmental agency.

Mr. Kennedy, of the Maritime Commission, was in Seattle last week and settled a strike that had existed there that was costing that port \$50,000 a day over a thing that was apparently trivial. But this must be kept in mind: A thing that may be trivial to the rest of the public may be a very important thing to a shipowner or to a sailor. They bump their heads together on matters of principle and policies, and a lot of things of that kind, and the public suffers. Apparently Mr. Kennedy was very successful in getting that strike settled.

The CHAIRMAN. Was that the Luckenbach strike?

Mr. CARSON. I do not think it was a Luckenbach ship. It did not amount to very much. At any rate, it tied up the whole port. I do not know whose fault it was, but suffice it to say that for that week it was costing the people of Seattle \$50,000 a day. I am told that it was settled by arbitration.

Before I conclude my remarks, Senator, I want to say just this. The people of this country also have a public interest in the welfare of those who serve any industry. While the Government cannot act as a wet nurse for everybody—there is too much of a tendency to think it can—while it cannot do that, it seems to me that it should be the concern of the Congress, when the money of the people of this country is put into an industry, that those who serve that industry have justice done to them. It is unthinkable to me that this Congress is going to appropriate money for the maritime industry and permit the men who serve it to live and work under conditions that are not consonant with American standards of living and American standards of decency.

That is a primary obligation, and no ship should be permitted to sail unless those things are provided to that degree that all reason-

able men will admit is about as near perfection as it is possible for us to do in our feeble way. That is of primary importance, and it is just as culpable to have the men work under conditions that are not decent as it is to have the public suffer. It is just a question of degree. When it is the public there are more of them. If the Congress will face that thing squarely and see that justice is done, then it should, as long as it puts any money into that, see that there is continuous performance so that the people will get their money's worth out of the industry that they are paying for. I am expressing the view of the vast majority of the people of our city, who have nothing but the kindest concern for those who serve the industry, but who think that they are entitled, in turn, to some kindly consideration themselves.

The CHAIRMAN. Thank you very much, Mr. Mayor.

Senator BERRY. May I ask the mayor a question or two?

The CHAIRMAN. Yes.

Senator BERRY. You made reference to the perhaps unprecedented strength and control of Mr. Harry Bridges on the Pacific coast, as it relates to shipping.

Mr. CARSON. Yes.

Senator BERRY. That is rather unprecedented and unusual, is it not? Has there ever been an example quite like it?

Mr. CARSON. Not to my knowledge.

Senator BERRY. You made reference to him by declaring that he was unable to vote. Will you elaborate on that for a moment?

Mr. CARSON. Because he is an Australian. He is an alien. He just applied very recently for citizenship papers. He has not been admitted to citizenship.

Senator BERRY. When did he apply? How long ago was that?

The CHAIRMAN. He has applied three times, Senator. He has made three applications. One was some years ago, 10 or 12 years ago. That lapsed. Then he made another one, and then, within a year, a third one.

Mr. CARSON: Senator Berry, just as a personal matter, I mentioned Bridges' name because I believe that is true. I utterly believe that he has exercised that arbitrary power.

Another thing is that he has come into my town several times and said that he thought they ought to have a different kind of mayor.

Senator BERRY. Your reference to him had nothing to do with that statement, did it?

Mr. CARSON. Well, somewhat; but I thought at least he ought to be able to vote in this country before he starts telling us what kind of public officers we should choose.

Senator BERRY. You heard my interrogation of Mr. Lundeborg, who testified a few moments ago. Is that situation of the sailors, as it was described, true to your knowledge? Is there that peaceful instrumentality set up by which these differences are adjusted?

Mr. CARSON. Here is the information that I have received. I may be wrong in this, but when the employers have dealt, they have found it much easier to deal on these matters with Mr. Lundeborg and his organization than they have with the I. L. A., under Mr. Bridges. That is just hearsay.

Senator BERRY. What have you to say as to the degree of stability as between the other organizations and Mr. Lundberg's organization?

Mr. CARSON. I believe there is greater stability in their ranks, from what I have heard. It is just more or less hearsay. When you were questioning Mr. Lundberg, I thought that one question you brought out was very sound. It would be altogether desirable, instead of warfare, if some formula for handling differences between themselves could be established, but I must repeat that if that cannot be negotiated, the people of the country who pay the bill have such a vital interest they have to begin where the others leave off, where they fail of performance.

Senator THOMAS of Utah. You are stressing, then, Mr. Mayor, the idea that there is a public interest in all these things, and that, after all, it is not just an affair between the workingman and the employer.

Mr. CARSON. No. It is a question of degree in this country, because we are so interdependent, so integrated in our lives in the United States that no man stands alone. We all owe consideration to the other fellow. The public has suffered in much the same manner as people who have to listen to a couple of cats squalling at night and keeping them awake. They are not parties to the controversy, but they have to suffer the consequences. We all owe this reciprocal duty one toward another.

The CHAIRMAN. Are there any other questions? If not, we are very much obliged to you, Mr. Mayor.

Mr. CARSON. Would it be of any help to the committee if I put this annual report of our commission of public docks in the record, showing the tonnage, and so forth?

The CHAIRMAN. We will be very glad to have it.

(The annual report will be kept on file in the Committee on Commerce.)

(Mr. Carson submitted the following material:)

THE COMMISSION OF PUBLIC DOCKS,
Portland, Oreg., January 15, 1938.

Subject: Effects of unsettled labor conditions on shipping.

HON. JOSEPH K. CARSON, Jr.,
Mayflower Hotel, Washington, D. C.

DEAR MAYOR CARSON: Supplementing letter mailed you yesterday evening, the Rogue Valley Traffic Association replying to my inquiry, advise that during the 1936-37 strike period 192 cars were exported through British Columbia ports, and one car exported via Atlantic coast because of the strike and five cars diverted to the East.

This makes a total of 198 cars.

Very sincerely yours,

PHILIP H. CARROLL,
Executive Secretary.

THE COMMISSION OF PUBLIC DOCKS,
Portland, Oreg., January 14, 1938

Subject: Effects of unsettled labor conditions on shipping.

HON. JOSEPH K. CARSON, Jr.,
Mayflower Hotel, Washington, D. C.

DEAR MAYOR CARSON: Attached herewith please find memorandum on port labor conditions, dated March 21, 1935. This will give you detailed incidents to point out to the Senate committee, should you so desire, covering stoppages of work, etc., following the signing of agreement subsequent to the 1934 strike.

The first seven paragraphs pertain to the Commission of Public Docks, whereas, paragraph No. 8 enumerates various labor troubles affecting employers other than the commission.

Also attached hereto is a memorandum, dated January 6, 1937, and prepared by C. H. Castner, which will give you a cross section of public opinion up-State during the 1936-37 strike, as well as the principal products shipped from the various localities. As you know, public opinion today is more incensed with the existing labor situation than it was at this time last year.

The following table, showing water shipments of fruits and vegetables to Portland from California points, clearly shows the large amount of this tonnage which was diverted from coastwise traffic to rail as a result of the 1934 strike. At municipal terminal No. 2 prior to the 1934 strike, the commission enjoyed a citrus-fruit tonnage of hundreds of tons per year; but, following the 1934 strike, no citrus fruit has been handled at this terminal. Practically all of this business now moves by rail, with attendant loss in revenue to shipping, and at an added cost to the consumer of approximately 5 cents per case.

Coastwise imports, Portland, Oreg.—fruits and vegetables

	Tons
Fruits and vegetables combined, 1932-----	13,502
Fruits and vegetables combined, 1933-----	18,681
Citrus fruit, 1934-----	10,095
Fruits and vegetables, other, 1934-----	2,321
Citrus fruit, 1935---	1,476
Fruits and vegetables, other, 1935-----	2,682
Citrus fruit, 1936-----	1,022
Fruits and vegetables, other, 1936-----	1,385

The Yakima Valley Traffic & Credit Association, in reply to my inquiry, advises that the Yakima area diverted during the 1936-37 strike about 25,000 cars, or nearly 2,000,000 boxes of fruit which otherwise would have moved through Portland, or Puget Sound. No information is available however to show what proportion would have gone via Puget Sound or through this port, had the strike not occurred. Very little fruit for Europe moved by rail during the 1936-37 strike from Yakima Valley as "Value fruits prevented movement except by any but the cheapest route." The quotation is from the Yakima Valley Traffic & Credit Association's communication.

The Hood River district, according to information just received, diverted during the 1936-37 strike 624 cars of apples and pears, and 15 cars were shipped to Europe via Transcontinental Rail to New York. They also estimate that during the fall of 1937 nine cars were diverted to Transcontinental Rail because of fear that another strike would be called.

Roughly speaking, apples which move over our terminals produce an approximate revenue of \$1.50 per ton. Of course, where apples are placed in cold storage at the port, additional revenue is earned. As I told you the other day, due primarily to the increased cold storage facilities at Medford and Hood River, the commission has not opened its cold storage for the last three seasons. However, last fall had there not been a threat of another waterfront strike, I feel certain that we could have secured substantial tonnage for our cold storage.

Last October, you will recall, the *Elizabeth Bakke* was endeavoring to load five cars of hot lumber, as a result of which pickets were placed at the Oceanic Terminal entrance, not to prevent the loading of the vessel, but merely to keep the five cars of lumber from being placed on board. In talking to the Oceanic Terminal yesterday, they informed me that as a result of the pickets being placed at the terminal in connection with the *Elizabeth Bakke* incident, they had a substantial number of cancellations for their cold storage, amounting approximately to 100 cars of fruit.

In connection with the Oceanic Terminal, during the 1936-37 strike the unions, you will recall, after several days' delay permitted the unloading of cars into cold storage, but it was impossible to load this fruit out, and as a result, from the Oceanic Terminal alone during this strike period, 144 cars of apples and 54 cars of pears were reloaded into refrigeration cars and diverted for shipment to Europe.

Have wired Medford for information, but so far have had no reply, and as I am anxious to get this into the mail, will forward anything I receive from Medford later. Besides losses to the port and to shippers because of chaotic

conditions, it might be well to remind you, for possible use at the Senate hearing, that 610,000 pounds of flour at terminal No. 4 were ordered loaded into cars by the Army Quartermaster at Vancouver Barracks on May 16, 1934, for shipment to Fort Mason. This flour was not loaded, and was finally picked up by the Army Transport *Meigs*. Another point, during the 1934 strike, in order to get mail and parcels from the main office through the picket line at terminal No. 4, Special Delivery was resorted to. But, under date of July 14 deliveries to terminal No. 4 were discontinued by Postmaster Hedlund, who stated in his communication to this office: "We consider it inadvisable to deliver any mail into the strike area on account of the prevalence of riots." The above instances are only two of many with which you are personally familiar, and to which you could add dozens of similar cases yourself. During the 1934 strike, the railroads were unable to perform normal switching services at the commission's terminals between May 9 and July 31, and again during the 1935-37 strike an embargo was placed on all terminals in this port by the Union Pacific. Cases heard before the Interstate Commerce Commission involving large sums for demurrage which accrued during the 1934 strike have as yet not been settled.

If there is any information which we can furnish, please wire, and we will get it to you as rapidly as possible.

Very sincerely yours,

PHILIP H. CARROLL, *Executive Secretary*.

PORTLAND, OREG.,
March 21, 1935.

**MEMO REPORT LABOR CONDITIONS AT PORTLAND SUBSEQUENT TO TERMINATION OF
LONGSHORE STRIKE**

1. The maritime commerce of the port is handled through two types of facilities: (a) Public terminals, (b) private terminals.

2. The Commission of Public Docks owns and operates the public-terminal facilities of the port consisting of terminals 1, 2, and 4. By amendment to the city charter in November 1910, the voters of the city of Portland created a separate department of the city known as the Commission of Public Docks, said department being administered by five commissioners appointed by the mayor and serving without compensation. Among the duties imposed upon the commission are to provide for the needs of water-borne commerce, construct and operate publicly-owned terminals, and to establish by ordinance various terminal charges thereat. Under the duties imposed upon the commission by the voters in its operations it employs, among other personnel dock laborers and grain handlers who were involved, either willingly or through intimidation, in the labor disputes resulting from the longshore strike which ended in July of last year.

3. Obviously the commission as a public body in its governmental or in its proprietary functions, cannot legally, as a department of the city of Portland, differentiate between the persons it employs, their qualifications being equal, because of union or nonunion affiliations, and this position has been repeatedly recognized by officials of organized labor, including the president of the local International Longshoremen's Association.

4. The commission has always recognized the rights of employees to petition in connection with any grievances as to wages or working conditions. At no time has the commission been a party to any agreements with the International Longshoremen's Association dock labor or grain handlers groups, nor has it been a party to any agreement with the waterfront employers or any employers' groups under the various arbitration awards handed down last fall following the longshore strike.

5. It has been and is now the policy of the commission to follow established waterfront practices as to wages and working conditions in effect at private terminals and elevators. Since the publication of the arbitrators awards covering longshoremen, grain handlers, dock workers, and checkers (copies attached), the commission has endeavored to comply strictly with these decisions. In its operations the commission employs no longshore labor itself, but, as provided in the awards where its dock workers or grain handlers have performed longshore work, as defined in the longshore award, i. e. between pile on dock and ship's gear, the dock labor or the grain handlers performing this service

have always been paid longshore wages. Further, the commission is dependent upon its terminal-operating revenues to defray its operating expenses and maintenance, as under the charter only its bonded debt and interest thereon is provided for by taxation.

6. The commission intends to continue the operation of its terminal facilities as heretofore in accordance with the mandate of the voters and in line with its established policies with due regard for the rights of all concerned, and having in mind the development of the maritime commerce of the port. Labor disputes involving delays or loss in earnings to the commission are therefore highly important to the commission and to the commerce of the port.

7. The following labor difficulties (together with other minor disputes not listed below) have directly affected the activities of the commission since the longshoremen's, dock workers', grain handlers' and checkers' awards became effective:

(a) November 8, 1934, the tanker *Tejon* at pier 5, terminal 4. About 15 pickets were on pier and attempted to interfere with commission's watchman on his rounds. The trouble was reported to be, according to members of the crew leaving the tanker, that some pumpmen aboard were not eligible under award for employment.

(b) November 14, 1934, terminal No. 2, McCormick Steamship Co.'s *Wallingford* working, had about 15 minutes work to finish at 12 o'clock noon. The longshoremen refused to work this 15 minutes after noon unless paid for 1 hour at rate of time and one-half. Ship refused and small balance of cargo was taken to McCormick Terminal on West Side to discharge, the revenue from this tonnage being lost to terminal No. 2.

(c) December 18, 1934, pier B, terminal No. 1, steamship *Montanan*, American-Hawaiian Steamship Co. The hourly checkers walked off pier because steamship company employed monthly men for checking. The checkers' walk-off was followed by the longshoremen on dock and later by the ship's crew. The checkers walked off again the afternoon of the 20th when the four monthly checkers were put to work. On morning of the 21st truck drivers refused to handle freight checked by these monthly checkers. Shortly after noon the dock workers working for the commission and in no way involved in this controversy, were told to handle no freight to or from cars for the American-Hawaiian Steamship Co. As a result we were unable to continue our dock operations. The I. L. A. further placed a boycott against all freight moving over pier B for the American-Hawaiian in spite of the fact that the matter had been placed in the hands of the labor relations committee for appropriate action. The commission's employees who were union men would not work and nonunion men were afraid to work on account of having been intimidated. On December 22 the situation remained the same, longshoremen, checkers, teamsters, and dock workers refusing to handle any cargo at pier B, thus completely paralyzing operations. On December 23 longshore gangs reported for work, worked from 8:30 to 9:30, walked off again account monthly checkers of the steamship company being employed. When they walked off the longshoremen called off the commission's dock laborers engaged in unloading cars on pier B. On 8 a. m. December 27 this matter was finally adjusted and the *Montanan* started working, also dock labor, truck drivers, etc.

(d) On December 20 at terminal No. 1, the crew of the Quaker Line *San Anselmo* walked off over wage dispute.

(e) On December 21, States Steamship Co. *Washington*, terminal No. 1, crew walked off account wages dispute.

(f) States Steamship Co. *Jefferson Myers*, terminal No. 1, crew did not leave ship but refused to move ship forward a few feet to clear Barlow elevator, use of which was needed by the commission for handling river-boat shipments.

The ships *San Anselmo*, *Washington*, *Jefferson Myers*, were picketed until about 10 a. m., December 21, when part of the crews returned to their ships to await the result of a meeting of labor relations committee and owners. At 10:30 a. m., December 21, *Jefferson Myers*' engine crew cut off steam on deck winches so the longshoremen were unable to work. As a result of the above-noted meeting the crews of the three above-mentioned vessels returned to work about 1 p. m. December 21.

(g) January 1, 1935. Surcharges for longshoremen working at certain terminals in the port were adopted by the labor relations committee, consisting of representatives of the I. L. A. and the Waterfront Employers, effective this date. Insofar as the commission is concerned the only discrimination is the surcharge of 25 cents per man for longshoremen employed at terminal No. 4. It is our contention that the imposition of this 25-cent surcharge is beyond the

jurisdiction of the labor relations committee. Paragraph (d) of section 10 of the longshore award states that the duty of the labor relations committee shall be "to investigate and adjudicate all grievances and disputes relating to working conditions," and (f) "to decide any other question of mutual concern relating to the industry and not covered by this award." The longshore award definitely provides for the rate of pay to be paid at Portland, Oreg., and neither (d) nor (f) gives the labor relations committee any authority over the question of compensation of longshoremen. Therefore, if longshoremen are called to work at terminal No. 4, which is within the city limits though approximately 10 miles from the hiring hall, the rates stipulated under the award for longshoremen at Portland should apply, and any surcharges arbitrarily assessed by the labor relations committee or others for work at terminal No. 4 are unjust and discriminatory. For your information I am attaching map of the harbor showing locations of the various terminals in relation to the hiring hall (in red). Further, in connection with this surcharge the officials of the I. L. A. have on several occasions stated that the hiring of dock labor should be done through the hall. In this event it is certain that a surcharge on dock labor, which receives less than longshore work, would promptly be assessed on those reporting to terminal No. 4 for work.

(h) January 25. The American-Hawaiian steamship *Oregonian*, pier B, terminal No. 1. On account of the longshoremen refusing to work this ship at the Crown Mills because of the claim that there were four nonunion men in the crew, the *Oregonian* was moved at 2 p. m. to its regular berth at pier B, terminal No. 1, and there picketed.

(i) January 28. Pickets at pier B, terminal No. 1, told commission's dock laborers not to unload cars at pier B account strike on *Oregonian*.

(j) This same date representatives of I. L. A. labor relations committee advised our superintendent of operation that the commission was not living up to awards as to rates of pay, which of course was incorrect, and that the commission was further violating awards by not hiring dock labor through the hall. Section 4 of dock workers award states "the demand with respect to hiring shall not be made effective. The parties to this award may make provision by agreement regarding methods of hiring." Thus there is no provision under the above award for hiring through hall even if the commission were a party to the agreement.

(k) January 29. Cars spotted at pier B were unloaded by dock labor without interference on part of the strikers.

(l) January 31. Settlement of strike on *Oregonian* at pier B reached this date. *Ohioan* arrived about 2 p. m. Pickets withdrawn and gangs ordered to work ships.

(m) March 9. Norton-Lilly steamship *Steel Trader*, pier A, terminal No. 1. Shortly after this vessel's arrival at noon, business agent of I. S. U. boarded the ship and called off the crew, there being only one union man aboard. Pickets were placed outside the gate.

(n) March 10. The General Petroleum Corporation tanker *Tcjon* berthed at pier 5, terminal 4, and discharged oil that evening. The same evening the crew was called off and the *Tcjon* lay idle at pier 5 until March 19.

(o) March 16. Strike of I. S. U. on *Steel Trader* called off at 2:15 p. m. and ship started to work at 3:15, and finished that evening, clearing in time to permit the steamship *Santa Cecilia* to berth.

(p) Direct transfer has also been the subject of considerable discussion and annoyance. Section 1 of the longshore award in defining longshore work states "Longshore work is all handling of cargo in its transfer from vessel to first place of rest, including sorting and piling of cargo on the dock, and the direct transfer of cargo from vessel to railroad car or barge and vice versa. Rule 6 of the published tariff of the Commission of Public Docks, which is a city ordinance specifically exempts boxcars from being considered as subject to direct transfer charges and states: " * * * boxcars spotted alongside, will be considered the same as freight handled from boxcars to place of rest on wharf and from thence to ship's slings and vice versa, and will be subject to like charges." Direct transfer consists, with certain exceptions, of freight handled direct between open cars and vessel by ship's gear or equipment under rental from the commission. In other words, direct transfer, according to the commission's tariff does not include other than open cars and then only when alongside. Thus the award and the tariff are at variance, though it must be borne in mind that the commission, as already stated, is in no wise party to any of the awards in question and is empowered by the voters of the city

to make such rules and regulations for its public terminals by ordinance as it deems necessary.

8. The following are some of the labor difficulties which have taken place since termination of the longshoremen's strike and primarily involve others than the commission. However, this list does refer to some cases where vessels berthed at the public terminals have already been mentioned as affecting the commission's activities. This list was submitted by the Waterfront Employers to Mr. Ernest Marsh in a letter on February 8:

Merchant ship *Annie Johnson*, Johnson Line, September 15, 1934: Two gangs longshoremen quit work and refused to handle cargo shipped by Swift & Co. because of local strike of meat cutters against Swift & Co. Cargo was loaded with nonunion men but vessel was delayed at San Francisco a full day by sympathetic action of the San Francisco I. L. A. account this cargo having been handled by nonunion men at Portland.

Merchant ship *Jara*, East Asiatic Co., October 30, 1934: Four gangs of longshoremen were ordered from the joint hiring hall to report for work on this vessel. One of the gangs consisted entirely of nonunion men and was dispatched after agreement with I. L. A. officials. On arrival at the dock the three union gangs refused to work, demanding that nonunion gang be replaced by a union gang. Vessel was delayed one-half day after which nonunion gang was laid off and work resumed with all union men.

Steamship *American Eagle*, Pacific Continental Grain Co., November 10, 1934: Four gangs commenced work at 7 p. m. At 9 p. m. all four gangs struck, demanding the discharge of one nonunion winch driver, who was a regular qualified longshoreman and registered as such under the terms of the award. This ship was delayed 1 day and the work was resumed and completed with all nonunion men, despite threats of violence from the I. L. A.

Merchant ship *California Express*, Fruit Express Line, November 20, 1934: Two gangs longshoremen started work 8 a. m., struck at 8:30 a. m. demanding the discharge of one nonunion longshoreman who was qualified and registered to work under terms of the award. Work was finally resumed and completed with all nonunion gangs.

I. L. A. officials of Portland threatened vessel's agents with a strike against the ship at San Francisco. This threat was accomplished and the vessel was delayed 2½ days at San Francisco.

Steamship *Hollywood*, McCormick Steamship Co., November 21, 1934: Arrived in Portland Wednesday evening, November 21, scheduled to commence work 8 a. m. on the 22d. Work was started at that time and vessel worked until noon. At that time ship's crew demanded of master an increase in pay to the Shipping Board scale, paid during 1929, plus overtime for all extra work performed. Firemen made similar demands for increase in wages and overtime allowance. The bos'n and one oiler acted as spokesmen for the crew, and in spite of the owners informing them that crew's wages were under negotiation and that nothing could be done until an award had been published, the spokesmen informed the owners that they were going on strike and would not return until demand had been met. Negotiations with Mr. Carter, of the Seaman's Union, and Mr. Rheems, representing the firemen, accomplished nothing and these officials were unable to return men to work. The longshoremen upon returning at 1 p. m. after the lunch hour, were obliged to knock off for lack of steam. Repeated conferences were held with the spokesman of the crew and Mr. Charles Hope, of the regional labor board, but it was impossible to accomplish any sort of an agreement.

On Sunday, November 25, the strikers agreed amongst themselves to return to work 8 a. m. Monday, under the old scale of wages and all did so with the exception of the oiler spokesman. Another man was shipped in his place.

Steamship *Jefferson Myers*, States Steamship Co., December 18, 1934: Two gangs of thirteen men each worked ties until 11 a. m. when ties were completed and gangs ordered reduced to standard gangs of nine men each to work logs. The men refused to work with less than eleven men in the gangs, quit the job and returned to the hall. I. L. A. labor relations committee notified gangs that they must return to the job with the number of men as required by employers. Work was resumed at 2 p. m. after a delay of 2 hours for these two gangs. Three other gangs on the vessel continued work on ties during this delay. The net result, however, was a 2-hours' delay to the vessel and the expense of 2 hours' overtime to one gang; the second gang involved finished work before overtime was incurred.

Steamship *Washington*, Inman Poulsen Mill, December 23, 1934: One gang finished lumber at 8:30 p. m. ordered to reduce from 13 to 9 men, to work piling. Gang refused to make reduction and struck. No replacement available at that time of night and the piling was loaded by another gang of nine men, after they had finished the work in their hatch. In this case no actual delay or extra expense to ship involved and incident is cited merely as another case where the men make use of the strike to enforce demands; contrary to the N. L. B. award.

Steamship *Montanan*, American-Hawaiian S. S. Co., December 18, 1934: Longshoremen went on strike against the American-Hawaiian vessels in Portland because of a dispute between clerks and checkers and the company; a demand was made in writing to the longshoremen through their labor relations committee to return to work; employers pointing out that clerks and checkers had recourse as provided in clerk's and checker's award to adjust grievances.

This vessel arrived in Portland on the 18th but no work was accomplished on account of the clerks' dispute. Discharging was completed on the 19th, the American-Hawaiian taking the four disputed men into the office pending a settlement. The vessel was idle for schedule reasons on the 20th, and on 21st, loaded lumber at the S. P. siding, where no difficulties were encountered as no checkers were employed.

On vessel's return to the general cargo dock (terminal No. 1) on December 22 and the clerk's dispute not having been settled the longshoremen refused to work and this vessel remained idle until 8 a. m., December 27, when work was resumed.

Steamship *Admiral Halstead*, Pacific S. S. Co., January 2, 1935: This vessel was working five gangs. Fred Spaulding, who had been designated by the I. L. A. as dock steward, stopped the work of the five ship gangs at 9:45 a. m., contending that the dockmen were performing longshore work at dockmen's scale of wages. Operations were resumed at 10:15 a. m., as it fortunately happened that the I. L. A. labor relations committee were contacted without delay and through Mr. Negstad the work was ordered resumed. Net result, one-half hour delay to vessel, but no extra expense for overtime as labor relations committee decided that men would have to work the lost half hour to make up the full 6 hours straight-time period.

Steamship *Oregonian*, American-Hawaiian S. S. Co., January 24, 1935: January 24, discharged cargo and on January 25, shifted to Crown Mills dock to load flour. Before work was started the dock was picketed by members of the I. S. U. The crew was called off the ship and told by the I. S. U. delegates that they could remain aboard to eat and sleep but no work was to be done.

Longshoremen ordered to work the vessel that morning would not go aboard while the dock was picketed.

Picketing continued until January 31, 2 p. m. Longshoremen were ordered through the hall at each hiring period, i. e., three times a day from January 25, to January 31, but they refused to work. In the meantime the steamship *Ohioan*, with cargo to discharge from the east coast and the steamship *Willsolo* to load east-bound freight to South Atlantic ports were held at anchor because of the strike. All three of these vessels were seriously delayed with heavy expense to the operators and inconvenience to receivers of cargo.

During this time the steamship *Neradan* was also in port awaiting schedule connections and her crew likewise was ordered by the I. S. U. delegates to leave the ship.

PHILIP H. CARROLL,
Executive Secretary.

MEMORANDUM OF REACTIONS TO MARITIME STRIKE OF CONTACTS MADE IN OREGON AND WASHINGTON TRIBUTARY TO PORTLAND BY C. H. CASTNER

PORTLAND OREG., January 3, 1937.

During the past 60 days, circumstances have made it possible for me to cover considerable territory in Oregon and Washington, and during that time I have had occasion to contact many producers, shippers, manufacturers, bankers, and other business people, and to learn at first hand from these sources the effects of the disastrous maritime strike which is now paralyzing shipping on the Pacific coast. The effect of this strike is reaching constantly further inland to the area tributary to the various ports and is seriously affecting agriculture and industry, as well as everything else which has heretofore relied upon maritime commerce to reach its consuming markets.

Having discussed the results of my observations with the Hon. Joseph K. Carson, Jr., mayor of the city of Portland, he suggested that I put this data briefly into written form, and submit same for the consideration of the Hon. Charles E. Martin, Governor of the State of Oregon, with the thought that these observations might be of interest to him, covering as they do considerable area, and representing the numerous views of many different types of people here in the Northwest.

In considering the effects of the strike, I have grouped the various areas by districts as follows:

Hood River: Fruit, pears, apples, turkeys, and canned goods.

Mosier: Fruit, pears, and apples.

The Dallas: Fruit, cherries, flour, grain, and stock.

These mid-Columbia communities are particularly interested in the orderly marketing of their products and have suffered greatly through the maritime strike and the tie-up of water transportation for their export shipments. They are keenly alive to the fact that they must have a water outlet for their products, or else raise their prices to conform to rail movement, with the attendant loss of markets. They realize that while there may be two sides to the present labor dispute, in the meantime the producer and the public, generally, is being penalized. They are interested in starting remedial legislation, both State and National, to prevent a recurrence of present conditions.

Arlington: Grain, sheep, and cattle.

Condon: Grain, sheep, and cattle.

Fossil: Grain, sheep, and cattle.

Heppner: Grain, sheep, and cattle.

Pendleton: Grain, sheep, flour, cattle, and horses.

This district produces mainly grain and livestock, and its shippers use ocean carriers to reach markets with their wool, grain, and grain products. There are vast quantities of grain stored at points of origin because the strike has prevented assembly at tide water for shipment by water. This is causing great hardship on both the grain dealers and the producers. Both groups are prevented from marketing their products in a normal way and are interested, as innocent victims of the strike, in having some type of legislation passed, both at Salem and in Washington, D. C., to insure against a repetition of present conditions.

Athens: Grain, flour, and canned peas.

Milton: Fruit and canned peas.

Freewater: Fruit and canned peas.

Walla Walla, Wash.: Grain, flour, fruit, and canned vegetables.

Waitsburg, Wash.: Grain and flour.

Dayton, Wash.: Stock, grain, and canned peas.

This area is very diversified in its products, and has suffered tremendously in the marketing of its products because of the strike, more especially in the delivery of its peas and other canned goods. Canning is a comparatively new enterprise in this district, and a large sum of money has been invested in canneries. However, with the tie-up of water traffic at the height of the shipping season, the movement of canned goods has received a set-back from which it will be hard to recover. All persons contacted are very much interested in seeing something done in the form of legislation to prevent a repetition of present conditions.

Kennewick, Wash.: Stock, fresh fruit, and grape juice.

Yakima, Wash., and Yakima district: Fresh fruits, dried fruits, canned fruits, vegetables, and sheep.

This is one of the largest fruit-producing districts of the Northwest and had an opportunity this season to recuperate financially, but with the cessation of water shipments these districts will take a severe loss on this season's business. These districts have large canned- and dried-fruit plants and a large portion of this produce moves by water in foreign intercoastal and coastwise traffic. All producers and shippers in these districts are looking forward to some kind of legislation to obviate the return of present conditions.

Newberg: Canned and dried fruits and farm products.

McMinnville: Dried fruits, nuts, fresh fruits, and farm products.

This community is largely agricultural and produces mostly fresh and dried fruits and farm products. Due to the strike there has been almost a complete paralysis in the dried fruit industry. The feed situation for poultry has become

very acute, with the reduced output of the flour mills in Portland and eastern Oregon, and there has been a very large increase in the price of mill pack which works a hardship on the poultry raiser. All persons contacted in this district were keenly alive to the fact that the public, as victim of the present labor trouble, should initiate some type of remedial legislation.

Stayton, Salem, Silverton, Woodburn: Canned fruits, dried fruits, brine cherries, poultry and farm products, and canned vegetables.

This district is the largest canned- and dried-fruit section in the State and is suffering greatly from the standstill of water transportation. As nearly as can be determined, about 65 percent of the canned and dried fruit produced is shipped by water carriers, either coastwise, intercoastal, or foreign, and when a maritime strike occurs that particular business suffers accordingly.

The shippers of the Salem district want some remedial legislation to protect them from a repetition of the conditions that exist at the present time, and which were thought settled with the end of the 1934 maritime strike.

Lebanon, Albany, Corvallis, Eugene: Canned fruits and vegetables, turkeys, stock and manufacturing of woodenware, feed and flour, and seed grains.

This district is largely agricultural and produces large amounts of fruit and vegetables, as well as livestock. This area is suffering because of the lack of proper water transportation, and fears a back-up of products on hand this coming year unless water transportation is resumed. The increased price of stock and poultry feeds is also working a hardship on this community. All are anxious to see something done at the coming session of the legislature to prevent a repetition of present conditions.

Roseburg, Oakland, Drain, Cottage Grove: Dried fruit, fresh fruit, turkeys, general farming, flour and feed.

This district is suffering greatly from the effects of present labor troubles, more in fact, than any district contacted in the State. Dried prunes are moving only on Government orders, and turkeys are lower than they have been in several years. The feed situation is very acute and the stock and poultrymen are now paying, as a result of the strike, substantially more in price for their feed. The people in this district are very anxious that something be done to preclude a repetition of conditions that prostrate their business, and want to see some form of legislation that will definitely settle labor disputes.

Medford, Grants Pass, Ashland: Fresh fruit, canned fruit and vegetables and turkeys.

This district is suffering by the lack of proper shipping facilities by water at this time. This section sells its Bartlett pears in bulk to California and is fearful that there will be no demand for their crop in 1937. They still have a large portion of their late pear crop in cold storage and hope to clean up before another season starts. There was a large turkey crop that sold for less than the cost of production. This district is very anxious that something be done to prevent labor disputes such as now exist on the Pacific coast.

Tillamook: This district specializes in the manufacture of cheese. They ceased using water transportation several months ago, as they suffered a great loss during the maritime strike of 1934. They want the shipowners and maritime workers to get their house in order before they will resume water shipments.

There have been many other industries hurt financially that have not been referred to in this memorandum, and if the strike continues for any length of time, there will be many more individuals and firms damaged, especially in the wool and sheep business.

The type of people contacted have been producers, shippers, manufacturers, and bankers and they are all of the opinion that the Governor of the State and mayor of Portland and all other constituted authorities have done all in their power to handle a delicate situation intelligently and have nothing but praise for the way this problem has been met thus far. Further, those contacted, with few exceptions and in spite of the financial loss they have thus far sustained, feel that any makeshift settlement such as followed the 1934 maritime strike will only result in a repetition of today's paralysis of water commerce. Likewise, those contacted all expressed the fear that, unless the present dispute results in the setting up of adequate arbitration machinery to preclude any further stoppage of work in the maritime industry, the "march inland" will ultimately engulf all interior enterprises associated with or dependent upon water-borne commerce. Those with whom this problem has been discussed, furthermore, contend that the public should demand that disputes between steamship operators and their employees be arbitrated without strikes, lockouts, or stoppage of work.

While water shipments of lumber from the Northwest have stopped and much other tonnage, normally of volume, has ceased to move because of the strike, it seems apparent that our shippers who have been able to avail themselves of British Columbia ports are more fortunate than other producers of the Northwest and California who could not ship through Vancouver or New Westminster.

From the foregoing summary of opinions, as encountered throughout the various districts visited in Oregon and Washington, it is very apparent that there is rapidly development demand on the part of the public at large for enforceable legislation with penalties which will permit the settlement of labor disputes with fairness to all, and will relieve the public from the losses and hardships to which it has been so ruthlessly subjected.

In conclusion and as an indication of some of the direct loss sustained by United States ports on the Pacific slope during the present strike, there follows data covering American tonnage diverted through British Columbia ports during November and December 1936. These figures are conservative estimates from a most reliable source.

Vancouver, British Columbia, has received 40,000 tons of bulk corn and 3,000 tons of newsprint destined to the United States Pacific ports.

Vancouver, British Columbia, has handled approximately 350 cars of apples from the United States.

Practically all European and oriental shipments destined for the west coast of the United States have been diverted to British Columbia.

Exclusive of shipments from the Pacific Northwest which have been routed via Montreal, conservative estimates indicate that British Columbia, through Vancouver and New Westminster, has handled, in and out, some 500,000 tons of cargo. This volume, in addition to the regular tonnage of these ports, has congested terminal facilities to the point where operations are unprofitable, while the facilities along the Pacific coast south of the Canadian border are idle and deteriorating from disuse.

Senator THOMAS of Utah. Mr. Chairman, I have received four telegrams, all from San Francisco, addressed to the Senate "Committee on Commerce and Labor." These telegrams protest the holding of secret sessions. We want the telegrams inserted in the record, and we will ask the clerk of the Education and Labor Committee to answer the telegrams and call the attention of the senders to the fact that the sessions have been executive, and not secret. In fact, many things have been published that have come out in those sessions, and the interests of no one have been hurt.

(The telegrams referred to are as follows:)

SAN FRANCISCO, CALIF., *January 19, 1938.*

SENATE COMMITTEE ON COMMERCE AND LABOR,

Senate Chambers, Washington, D. C.:

The Inland Boatmen's Union of the Pacific in convention assembled, representing every man employed on all inland craft on the Pacific coast, have been informed that your committee is holding secret sessions and taking testimony in secret in regard to maritime labor matters. The convention protests hearings on this all important matter being conducted in this manner. The most vicious criminal is given open hearings in open court, surely citizens operating the merchant marine of this country cannot and must not be deprived of the fundamental right of facing and answering vicious and slanderous testimony aimed at depriving them of their constitutional rights through oppressive legislation.

CONVENTION INLAND BOATMEN'S UNION OF THE PACIFIC,
By C. W. DEAL, *President.*

SAN FRANCISCO, CALIF., *January 18, 1938.*

SENATE LABOR COMMITTEE,

Washington, D. C.:

Members and permit men 5,000 strong of International Longshoremen's and Warehousemen's Union protest secret hearings of your committee, held ostensibly to investigate maritime working conditions, but excluding representatives

of maritime unions and public. Reports make clear secret hearings being used to vilify maritime workers and unions and thus attempt to force Congress to pass legislation detrimental to maritime unions. Definite indications on Pacific coast that employers taking advantage of secret hearings to carry out intensive drive to cripple and destroy maritime unions on coast. We demand present hearings be opened to maritime union representatives and public and that un-American and antiunion activities of employers here be immediately investigated.

HENRY SCHMIDT,
President, I. L. W. U. Local.

SAN FRANCISCO, CALIF., *January 18, 1938.*

SENATE COMMERCE AND LABOR COMMITTEE,
Washington, D. C.:

Warehousemen's Union, Local 1-6, I. L. W. U., vigorously protests the secret hearings of your committee and the manner in which investigation is being handled as an obvious attempt to intimidate Congress. We demand an impartial and open hearing with complete publicity on names of ships and details of events.

WAREHOUSEMEN'S UNION LOCAL 1-6. I. L. W. U.

SAN FRANCISCO, CALIF.

SENATE COMMERCE COMMITTEE,
Washington, D. C.:

Members and permit men, 5,000 strong, of International Longshoremen's and Warehousemen's Union protest secret hearings of your committee held ostensibly to investigate maritime working conditions but excluding representative of maritime unions and public. Reports make clear secret hearings being used to vilify maritime workers and unions and thus attempt to force Congress to pass legislation detrimental to maritime unions.

Definite indications on Pacific coast that employers taking advantage of secret hearings to carry out intensive drive to cripple and destroy maritime unions on coast. We demand present hearings be opened to maritime-union representatives and public and that un-American and antiunion activities of employers here be immediately investigated.

HENRY SCHMIDT,
President, I. L. W. U. Local.

NEW YORK, N. Y., *January 17, 1938.*

Senator ROYAL S. COPELAND,
Senate Merchant Marine Committee:

In view of the malicious and unjust statements in the press on Sunday, January 16, the National Maritime Union insists in the interests of fairness on a hearing before your committee to refute these statements.

JACK LAWRENSEN,
*Atlantic and Gulf District Committee,
National Maritime Union of America.*

(The following letter was submitted for the record by the chairman:)

COMMITTEE FOR INDUSTRIAL ORGANIZATION,
Washington, D. C., January 17, 1937.

Senator ROYAL S. COPELAND,
Washington, D. C.

DEAR SENATOR: The manner in which testimony was adduced at the recent joint executive hearings of the Senate Commerce Committee and the Committee on Education and Labor indicate an underlying motive that cannot, in my opinion, be reconciled with an attitude of impartiality.

The secrecy which surrounded these hearings can by no stretch of the imagination be called conducive to open and frank discussion of the basic issues con-

fronting the seamen and the American merchant marine at the present time. These issues are hours and wages—nothing more, nothing less.

Instead of conducting an open investigation into working conditions on board ships, instead of frankly inquiring into the causes of discontent among the seamen and attempting honestly to evaluate the aims and programs of the marine unions, the committee appears to be using these hearings as a forum for attacks against the maritime workers and their organizations.

How else can we account for the long, involved, self-contradictory testimony of the mysterious Captain X? Why, otherwise, would he be encouraged to voice vague and unqualified slanders against the American seamen? What other explanation can there be for insertion in the record of absolutely false statements from the shipowners regarding the rotary hiring system?

It is becoming increasingly clear to the Committee for Industrial Organization that the stage is being set for a program of coercive legislation relating to organized labor in this country. You and other members of your committee have declared that some form of legislation is necessary to bring peace to the maritime industry. Later you proposed compulsory arbitration. Do you believe if compulsory arbitration is forced on the marine workers that the employers of this country would be satisfied to stop at that? I cannot believe it. Compulsory arbitration for the marine workers would be followed by attempts to bring workers in other industries under the same type of coercion.

Contrary to the professed belief of many employers that compulsory arbitration would bring peace to the marine industry. I am of the opinion that it would do just the opposite. Whereas the marine workers, through their organizations, are rapidly bringing peace to the industry under the present laws, any attempt to deny their organizational rights would, in my opinion, disrupt those efforts and make for chaos again.

The real way to bring peace to the industry is to improve conditions to the point where a seaman does not have to degrade himself economically to follow the sea as a calling. If the shipowners had adopted a more humane labor policy in years past the marine workers would not have been compelled to resort to the strike weapon to improve their living and working conditions.

The organizations affiliated with the marine unions through the Committee for Industrial Organization will resist every effort by employers anywhere to substitute compulsory arbitration for collective bargaining.

Sincerely yours,

JOHN BROPHY,

Director, Committee for Industrial Organization.

Mr. CARSON. Mr. Chairman, Mr. L. W. Hartman, of Portland, and Mr. C. King Benton, representing the apple growers of the Hood River district, would like to be heard before this committee.

The CHAIRMAN. May I ask, Mr. Mayor, if it would be convenient for them to come at 2 o'clock?

Mr. CARSON. Yes. Mr. Hanna, of Los Angeles, also wishes to be heard, I understand.

The CHAIRMAN. Very well. We will adjourn until 2 o'clock.

(Whereupon, at 1 p. m., a recess was taken until 2 p. m.)

AFTER RECESS

The committees reconvened, at the expiration of the recess, at 2 p. m.

The CHAIRMAN. Mr. L. W. Hartman, of Portland, Oreg., representing the Port of Portland Commission.

STATEMENT OF L. W. HARTMAN, REPRESENTING PORT OF PORTLAND COMMISSION, PORTLAND, OREG.

The CHAIRMAN. You are a member of the Port of Portland Commission?

Mr. HARTMAN. That is right; of Portland, Oreg.

The CHAIRMAN. Proceed in your own way, Mr. Hartman.

Mr. HARTMAN. Mr. Chairman, the Port of Portland Commission is a public body maintained through taxation, created for the purpose of maintaining, with the cooperation of the Federal Government, the channel and all services necessary for the maintenance of a seaport.

The people of our district realize, and have realized for many years, that we are entirely dependent upon our tidewater position for our economic subsistence. As a matter of fact, we have best proved that when it is recognized that we have spent hundreds of millions of dollars to maintain the channel and the facilities which I mentioned.

As indicative of the importance of shipping to our district, I should merely like to indicate that in 1936—which, incidentally, was a lean year—there were 1,598 vessels from all ports, with a net tonnage of 5,035,056 net tons, entering the port, whereas there were 1,585 vessels, with a net tonnage of 5,009,111 net tons, that cleared the port.

Some 3 or 4 years ago our commission was definitely exercised, representing as it does, from a maritime point of view, the interests in the State, to undertake to investigate, if you please, just what the situation was and is and is likely to be relative to that all-important industry.

We made numerous public and other investigations, and, frankly, are here today to tell you that we are alarmed. As a people we feel that unless the situation which now exists is corrected we are likely to be deprived, in part at least, and probably to a great extent, of the basis of our existence, namely, our maritime shipping.

I should like to have the record disclose the fact that our investigation, among other things revealed, I am happy to say, that the people who have dealings with Mr. Lundeborg, the gentleman who testified before this committee this morning, have a high regard for him. They think that the man is genuinely sincere, not alone in the matter of protecting the interests of the numerous seamen whom he represents, but in a conscientious desire to protect the agreements which he and his group enter into.

However, notwithstanding Mr. Lundeborg's sincerity, we have developed the fact that there are certain situations, probably for reasons beyond his control, that are not healthy.

Incidentally, I want the record also to disclose definitely that what I have to say is not directed against any one group or any one branch of the maritime industry, nor does it attempt to protect the ship-owners as against the men. I merely want this committee to know that unless there is some security afforded to those people who are interested in this entire problem, we are faced with one of two possibilities—either the abandonment of a greater part of our maritime shipping or governmental operation exclusively. I think it is safe to say—

The CHAIRMAN. Would you favor governmental operation?

Mr. HARTMAN. Definitely not. I think it is safe to say that the men employed on ships would not fare as well under governmental operation as they do under existing conditions, for the obvious reason that the Government would move the ships. The Government would insure performance under any and all circumstances. I think that the men—and when I speak of the men I am speaking of those men engaged as longshoremen, and others identified with the maritime industry—would certainly not improve their condition or enjoy

a greater exercise of individual rights under governmental operation than they do under private operation.

The CHAIRMAN. Your thought is that if the Government had possession of the ships it would exercise its sovereign power to see that they moved.

Mr. HARTMAN. That is right.

The CHAIRMAN. And that the social rights and other rights of the sailors might not be so much regarded by that sort of operation.

Mr. HARTMAN. That is exactly what I have in mind.

Senator THOMAS of Utah. Why do you make that deduction?

Mr. HARTMAN. From statements that have emanated from the Maritime Commission, which might be interpreted to indicate that the ports of the United States will be served, and if private capital cannot undertake the operation of ships, the United States Government will.

Senator THOMAS of Utah. I am not interested in that. I am interested in your deduction that if the Government undertakes the operation, the men will be worse off.

Mr. HARTMAN. I do not say they will necessarily be worse off. I say that it is my thought that they will not have the same privilege of exercising personal rights as they have under private operation.

Senator THOMAS of Utah. Have you a shipping institution anywhere that is run by the Government, so that you can make comparisons?

Mr. HARTMAN. No; I cannot. I have only this in mind, that so far as this Government is concerned, we have the precedent of the acquirement of private vessels during the late World War, when, I think I am safe in stating, complete jurisdiction in a sovereign manner was exercised by the Federal Government. Therefore, if the Federal Government should consider that a condition exists that demands a similar sovereign jurisdiction, even though it may be in time of peace, is it not fair to assume that the Government would exercise that right?

Senator THOMAS of Utah. When did the Government go into the barge-line business on the Mississippi?

Mr. HARTMAN. I should say around 1925, or thereabouts.

Senator THOMAS of Utah. Have the men been any worse off under the Government-controlled barge lines than they were before?

Mr. HARTMAN. I cannot answer that. I do not know.

Senator THOMAS of Utah. Would you think they would be?

Mr. HARTMAN. I hope you are not misconstruing my remarks. I am merely speaking about the rights of the men. I am not saying that they would not fare as well, or better, under Government ownership. I am speaking purely of their social rights.

The CHAIRMAN. They would be less independent.

Mr. HARTMAN. I imagine that the psychological reaction to governmental operation on the Mississippi has had a very great deal to do with the freedom from strikes.

The CHAIRMAN. I was very much disturbed yesterday, in talking to some of these men, at their statement to this effect, that on the Shipping Board ships, which are operated by the Authority, the Maritime Commission, the sailors are not paid as well as they are on privately operated ships. I was disturbed over that, and I thought that in due time I would find out, if possible, why that is true. As I understand it, there is a material difference between the wages

paid on the Government-owned ships and those paid on privately owned ships. Mr. Mullins, is that a fact? Is Mr. Mullins here? (No response.) Can somebody say whether I have stated the fact?

Mr. FITZGERALD. Yes, sir. You have stated the true fact. On the Black Diamond boats, for instance, which are Government-owned boats, they have a higher scale of wages than on privately owned vessels.

The CHAIRMAN. Wait a minute. It was the other way around, was it not, Mr. Fitzgerald—that on the privately operated ships there is a higher wage scale than on the Government ships. Is that what you intended to say?

Mr. FITZGERALD. I believe in our discussion Mr. Mullins and I stated yesterday that the privately owned boats carried a higher scale of wages than the Government-owned boats.

Mr. HARTMAN. May I proceed?

The CHAIRMAN. Yes.

Mr. HARTMAN. I should like to call attention to the fact that the Port of Portland Commission is desirous of seeing that the men, whether afloat or ashore, are provided with desirable wages, desirable living conditions, and desirable quarters. We are not unmindful of the fact that those men have not always been provided with those conditions, and that they are entitled to, and certainly should enjoy, the benefits that they have recently obtained.

However, the Port of Portland Commission also recognizes the fact that there must be a limit or a ceiling beyond which ship operators cannot go. They hope for cooperation between the men and the owners, to the point where the services will not be destroyed by demands beyond the ability of the shipowners.

May I cite a concrete illustration which we developed in our investigations?

The CHAIRMAN. You made an investigation out there?

Mr. HARTMAN. The Port of Portland Commission made an investigation. We developed, for example, from one shipowner that a vessel of his fleet today is tied up because a demand was made by the union that a bonus amounting to \$150 per man, plus life-insurance protection, be afforded, and I ask you to bear in mind that there was no quarrel on the part of the owners with paying that if the traffic would bear it. What actually happened was that the margin of profit between the operation of that charter and the cost of performing it was so narrow that the owner of the vessel had to abandon the charter in favor of a foreign ship. That resulted in 36 men being out of work for approximately 4 months on that voyage. The Commission feels that there ought to be some medium or some organization or some agency that could investigate these facts, if you please, and if it is definitely impossible for the American owner to grant the demands, whatever they may be, the men should agree, amicably, of course, that they will endeavor to cooperate to the extent of keeping the ships afloat and keeping their jobs.

The CHAIRMAN. Do you have the feeling that the rivalry between unions or between leaders has had something to do with the discontent and trouble on the coast?

Mr. HARTMAN. Very definitely.

The CHAIRMAN. Are you quite sure about that?

Mr. HARTMAN. I am quite convinced of it. I will add this, Mr. Chairman, that our investigations, from the time of the institution

of the 1934 strike down to and including the present time, indicate without any doubt that there is very great rivalry. The mayor of our city testified this morning, and he indicated, without mentioning his authority to the committee, that that 1936 strike could have been settled a week before Christmas had it not been for one of the opposing factions preventing it from being accomplished.

In other words, our maritime industry is as strong as its weakest link. That is why I emphasize that I am not speaking about any one particular group or any one particular endeavor. If the sailors, for example, are perfectly satisfied with their terms and conditions and agreements, and are prevented from working because the long-shoremen may not be, and picket the ship, we are no better off than if all groups were in disagreement.

Testimony was given this morning to the effect that there was loyalty, or at least satisfaction with the system now in vogue. That may be true insofar as a group of sailors is concerned, but I would hesitate to say that that is true of all the sailors' organizations and their policies. One company provided us with this information, which I pass on for whatever value it may have. They have had men tell them that loyalty as between the men and the owners is not wanted, for which reason shifts are constantly made to prevent men from staying on board too long, for fear that they may become loyal to the operators. This group reported one particular voyage which took 104 days. A crew of 36 men, unlicensed personnel, had 80 changes from the time that vessel left the east coast until it reached its terminus on the Pacific coast. I am not here to say why there were 80 changes, but it was represented to us that those changes were directly attributable to the practice or to the desire of the unions, and furthermore, that they control that situation—in other words that the men cannot, of their own volition, remain on board a vessel if it is not wished by the unions that they do so.

The CHAIRMAN. How would they drive the men off the ship—by making it uncomfortable for them?

Mr. HARTMAN. By merely telling a man, according to our information, that upon arrival of the vessel at San Francisco he is replaced. So we are told. He is brought ashore and someone else placed on board.

The CHAIRMAN. Do you happen to remember the name of that ship?

Mr. HARTMAN. We were not given the name of that ship.

The CHAIRMAN. To connect up that statement of yours with other testimony, if sailor A left the ship at San Francisco, of necessity the union hall would supply another sailor.

Mr. HARTMAN. Certainly.

The CHAIRMAN. If he were thrown off the ship, I do not know what the rule would be there. Is that what you are intimating?

Mr. HARTMAN. No. I am merely reporting to you, Mr. Chairman, what has been reported to us as one of the conditions which exist. I am not a sailor or a shipping man to the extent of knowing how much or how little of this is correct. I am merely reporting to you the information which was afforded us as a commission in our investigation regarding this situation.

The most serious of the charges which were filed with us, and the one which alarmed us, is that the licensed personnel of our American merchant marine is becoming definitely "fed up," to use the exact

language which was conveyed to us, and very difficult to get because of numerous charges of insubordination among the unlicensed personnel of the vessels and lack of control as reported.

I am not concerned with these details other than to indicate to this committee that if this situation does exist—and I am sure your committee will know before it finishes its job whether the conditions are or are not as represented—you cannot expect, nor can anyone expect, private capital to invest millions of dollars in new tonnage regardless of Government aid if the cost of operating ships, through whatever cause, makes it unattractive economically.

It was testified here recently that the increased cost of operating the American tonnage was inconsequential. We went to one of the biggest steamship companies in America, of American tonnage, and asked them to supply us with a record of the costs of their operations for the years 1933 to 1937. I should like to invite attention to the fact that, in connection with vessel expenses to that company, wages in 1933 amounted to \$598,244.44; in 1937, \$1,307,831.99, an increase of \$709,637.55, or 118.62 percent.

Senator VANDENBERG. That does not mean anything unless we know whether the tonnage increased in a corresponding degree.

Mr. HARTMAN. The revenue—

Senator VANDEBERG. No; the operation. Perhaps they operated twice as many ships.

Mr. HARTMAN. This contemplates the total cost of operating all of their ships. It is their fleet cost. In other words, the totals indicate the operation of their fleet. The costs are broken down into various items, such as wages, subsistence, stores, fuel, insurance, repairs, wharfage and dockage, canal tolls, stevedoring and other cargo expenses including terminal costs, and general expenses.

Senator VANDENBERG. Is this the same fleet operating each time?

Mr. HARTMAN. Yes.

Senator VANDENBERG. The same ships?

Mr. HARTMAN. Yes.

Senator VANDEBERG. So the figures are comparable.

Mr. HARTMAN. They are comparable, Senator. So that where you have an increase of 118.62 percent for wages, 76.98 percent for repairs, 10.66 percent for wharfage and dockage, and so forth, the total increase for operating the same number of ships in 1937 over 1933 was 42.93 percent. I offer that statement for the record.

The CHAIRMAN. It will be received for the record.

(The statement referred to is as follows:)

Vessel expense	Year 1933	Year 1937	Increase	Percentage of increase
Wages	\$598,244.44	\$1,307,831.99	\$709,637.55	118.62
Subsistence	120,813.18	239,415.48	118,602.30	98.17
Stores (deck, engine and stewards')	304,785.85	334,228.16	29,442.31	9.66
Fuel	1,120,881.93	1,607,878.29	478,194.36	42.33
Insurance (marine, protection, and indemnity)	608,473.81	581,501.87	76,971.94	12.65
Repairs	433,696.74	767,558.49	333,859.75	76.98
Wharfage and dockage	290,613.36	321,592.77	30,979.39	10.66
Canal tolls	989,989.21	968,506.44	21,482.77	2.17
Stevedoring and other cargo expenses (including terminal costs)	3,223,131.95	4,748,317.98	1,525,186.03	47.32
Administrative and general expenses	1,232,886.71	1,762,164.96	529,278.25	42.93

¹ Decrease.

Senator THOMAS of Utah. Have you included all the factors there, so that those figures are honest comparisons?

Mr. HARTMAN. They are broken down.

The CHAIRMAN. The thing that makes me think that the figures are correct, in addition to the statement made, is the fact that the Canal tolls are almost identical. The Canal tolls in 1933 were \$989,989.21, and in 1937 they were \$968,506.44.

Senator THOMAS of Utah. For the same number of boats and the same number of trips?

Mr. HARTMAN. There may be a very slight deviation, but it happens to be a company that maintains a schedule, and its performances year in and year out are practically the same. No steamship operation year after year is exactly identical. There are always deviations caused by one reason or another.

Senator THOMAS of Utah. This labor cost went up during the time of the strike?

Mr. HARTMAN. I have used the years 1933 and 1937. There was no strike in 1933.

Senator THOMAS of Utah. Was there a strike in 1934?

Mr. HARTMAN. Yes; and this is 1937.

Senator THOMAS of Utah. Just the 2 years?

Mr. HARTMAN. Yes.

Senator THOMAS of Utah. There was no strike in 1937?

Mr. HARTMAN. There may have been minor strikes, but there was no major strike, as I understand it, in 1937.

Senator THOMAS of Utah. Was there no increase at all in the number of intercoastal boats that did not go through the Canal?

Mr. HARTMAN. Not with this company. They operated the same number of ships in 1933 that they operated in 1937.

The CHAIRMAN. This statement will appear in the record.

Mr. HARTMAN. I received in the mail this morning a resolution which I have been asked to file with this committee, and I should like to offer it. It reads as follows:

RESOLUTION

Whereas development of the American merchant marine is impeded by the inadequacies of the Merchant Marine Act of 1936; and

Whereas House bill 8532 and Senate bill 3078 effectively amend the Merchant Marine Act to allow normal development of America's merchant fleet; and

Whereas the Pacific Northwest, its industries, agriculture, and employee personnel in shops, mills, farms, and factories have suffered unbearable and unnecessary economic reverses because unsettled labor conditions in the marine industry have rendered ocean transportation irregular and undependable; and

Whereas Senate bill 3078 would, by placing marine employment under jurisdiction of the Railway Labor Act, stabilize marine employment and permit normal and uninterrupted marketing of Northwest products: Now, therefore, be it

Resolved, That the Board of Directors of the Portland Chamber of Commerce express, on behalf of an injured port and its people, the request that the Congress of the United States pass in toto the amendments to the Merchant Marine Act of 1936 contained in House bill 8532 and Senate bill 3078, and that the Congress be requested particularly to recognize the fairness of and pass that amendment which applies the Railway Labor Act, which has operated so successfully in the interests of employer, employee, and the public in the railway industry, to all marine employees and employers of the United States.

Resolution proposed by maritime commerce committee of Portland Chamber of Commerce.

Resolution approved January 14, 1938, by the board of directors of the Portland Chamber of Commerce.

In conclusion, gentlemen, I should like to invite your attention to this fact. We are definitely alarmed. We feel that unless the Government of the United States undertakes to effect continuous operation of the American merchant marine, howsoever they may accomplish it, at least our communities in the northwestern part of the United States will have to be given adequate insurance that such service will be continued.

Senator THOMAS of Utah. Would the repeal of the law which makes it necessary for only American boats to carry coastwise traffic solve your problem in Portland?

Mr. HARTMAN. The repeal of the act limiting American tonnage—

Senator THOMAS of Utah. Limiting American shipping to American tonnage.

Mr. HARTMAN. No. We enjoy that now.

Senator THOMAS of Utah. Yes. I say, if you repeal it, then any ship under the sun can come in a port between San Francisco and Portland.

Mr. HARTMAN. Certainly; it would invite foreign competition.

Senator THOMAS of Utah. Would that settle your problem?

Mr. HARTMAN. It probably would, but as Americans—at least speaking for myself—I should hate to see that day come. We would not be helping our American sailors by inviting competition from foreigners. We certainly have enough of it at the present moment.

Senator THOMAS of Utah. But you are speaking of the utter dependence of the city of Portland, for example, on maritime shipments.

Mr. HARTMAN. That is right.

Senator THOMAS of Utah. Surely all the people in Portland are more important than either the sailors or the shipowners, are they not?

Mr. HARTMAN. That is right.

Senator THOMAS of Utah. And all the Oregon industries?

Mr. HARTMAN. That is right.

Senator THOMAS of Utah. It is assumed, when you pass a coastwise shipping act, that American coastwise shipowners will live up to their responsibilities, and that the men who work for them will live up to their responsibilities.

Mr. HARTMAN. That is right.

Senator THOMAS of Utah. If they do not, would it be wise to repeal that act and allow all the foreign ships to come in that would want to?

Mr. HARTMAN. It would solve the problem, but it would not be wise. I cannot divorce the economic aspect of it, insofar as our own community is concerned, from the soundness of favoring American seamen when and if it can be done. Your question presupposes, I assume, that if we became desperate and could not hope for an American merchant marine under restricted protection, we would have to resort to other means. Of course, we have proved that in the past, in two ways—first, by losing a tremendous percentage of

our business, as I testified here yesterday in connection with another aspect, to our Canadian neighbors to the north. Our lumber business in the Northwest is our major industry. We have seen it go by the door, until we now enjoy only a very small percentage of the lumber business to the east coast of the United States. We are interested in that from the standpoint of our producers and manufacturers of lumber, as well as from the transportation standpoint.

Senator THOMAS of Utah. Is your interest one of pride, or is it one of real economics?

Mr. HARTMAN. Sound economics, insofar as it may be limited to that. In other words, we do not want—at least I do not want to see Portland benefit at the expense of the elimination of the American merchant marine. I have no authority to speak for the port of Portland on that phase.

Senator THOMAS of Utah. Even though the American merchant marine is a costly proposition.

Mr. HARTMAN. Even though the American merchant marine is a costly proposition.

Senator THOMAS of Utah. You would not base your argument then, on economics, would you?

Mr. HARTMAN. Not that phase of it, unless it may be considered that in defending the American merchant marine there is an aspect of economics, namely, the welfare of the men involved, which reflects itself in our general economic picture in the country. In other words, if every seaman afloat were thrown out of work, there would be that many more men out of work and competing for shore jobs, thus affecting our general economic structure to that extent.

The CHAIRMAN. Thank you very much.

The CHAIRMAN. Mr. Fitzgerald is here from the west coast. On January 11, 1938, Mr. Emerson placed a telegram in the record at the request of Mr. Fitzgerald, saying:

Meeting on record condemning Copeland for lying statements that *Hoover* crew drunk and abused passengers. Request you enter protest on behalf of marine firemen, and demand retraction from Copeland.

Senator Thomas, will you be good enough to conduct the examination of Mr. Fitzgerald?

STATEMENT OF ROBERT J. FITZGERALD, SECRETARY, PACIFIC COAST MARINE FIREMEN, OILERS, WATERTENDERS, AND WIPERS ASSOCIATION, SAN FRANCISCO

Senator THOMAS of Utah. Please give your full name and your address.

Mr. FITZGERALD. My name is Robert J. Fitzgerald.

Senator THOMAS of Utah. Your address, please?

Mr. FITZGERALD. Secretary of the Pacific Coast Marine Firemen, Oilers, Watertenders, and Wipers Association, 58 Commercial Street, San Francisco.

Mr. Chairman and gentlemen of the committee. I have been subpoenaed from San Francisco by the Senate Committee on Commerce to explain what I know relative to a telegram I sent upon instructions from my membership, the substance of which is a condemnation of Senator Copeland for statements attributed to him in the press.

I wish at this time, Mr. Chairman, to read into the record a clipping from the San Francisco Call-Bulletin, dated December 17, 1937, if I may.

Senator THOMAS of Utah. Proceed.

Mr. FITZGERALD. It has a large headline here "*Hoover* crew denies drunk charges." [Reading:]

San Francisco became the center of a lively controversy today with Harry Lundeberg, secretary of the Sailors' Union of the Pacific, intermediary for hot denials from the crew of the Dollar liner *President Hoover*, to charges of drunkenness.

Several telegrams came as an aftermath to the grounding of the *Hoover* off the Formosan coast last week and Senator Royal S. Copeland's charges of crew drunkenness and abuse of passengers made in Washington, D. C.

DEMAND RETRACTION

Hot denials were sent from the crew to Lundeberg and to R. J. Fitzgerald, secretary of the Marine Firemen, Oilers, and Wipers' Association.

Lundeberg and Fitzgerald received the following from the Dollar crew:

"We, the remaining crew of the *President Hoover* in all departments deny drunkenness or abuse of passengers as charged in Washington. We remained aboard throughout trouble and performed duties at all times, which is confirmed by ships' officers.

"We demand a retraction of Copeland's accusations."

WIRES KENNEDY

Lundeberg immediately dispatched a telegram to Joseph Kennedy, chairman of the United States Maritime Commission, in Washington. It said:

"Received cable from crew of *President Hoover* denying all charges of drunkenness or abuse of passengers as charged by Senator Copeland. Crew's denial supported by ship's officers. In fairness to American sailors, we demand you, as head of the Maritime Commission, publicize his denial."

Copeland, commenting on Lundeberg's telegram, told the Associated Press:

"If crew members conducted themselves decorously, I am eager to know it. How does Lundeberg know what the facts are? If he can prove charges I discussed in committee are untrue, I would be the first to offer a retraction. We are interested in getting the facts."

Copeland's charges were said to be found on stories of passengers who were taken to Manila by the *President McKinley*.

I have here a radiogram, Mr. Chairman, sent by the joint delegates of the personnel aboard the vessel, which I should like to read into the record.

Senator THOMAS of Utah. What do you mean by "joint delegates"?

Mr. FITZGERALD. The joint delegates representing the unlicensed personnel of the engine division; the unlicensed personnel representing the Sailors' Union of the Pacific; the personnel representing the Marine Cooks and Stewards; and the personnel representing the American Radio Telegraphers Association.

Senator THOMAS of Utah. How many men would that mean?

Mr. FITZGERALD. That would involve all the unlicensed personnel aboard the vessel.

Senator THOMAS of Utah. No; I do not mean that. I mean the committee. The joint delegation would be how many men?

Mr. FITZGERALD. This would be the telegram of the four delegates representing the four departments aboard the vessel, which I just specified.

Senator THOMAS of Utah. That would be just four delegates, then, who are the signers of this telegram?

Mr. FITZGERALD. Four delegates, representing all the men in their particular divisions. [Reading:]

"PRESIDENT HOOVER" VIA MUSSELBOCK RADIO,
San Francisco, December 17, 1937.

We, the remaining crew in all dept's, deny drunkenness or abuse of passengers. We remained aboard throughout and performed duty at all times which is confirmed by ships officers. We demand retraction of Copeland accusation. Advise all unions.

DELEGATES M.F.O.W., S.U.P., M.C.S., A.R.T.A.

That is signed by the four delegates.

Mr. Chairman and gentlemen of the committee, you cannot very well blame the seamen for becoming indignant when they read the public press and saw themselves vilified without exception, almost beyond redemption. With this attack against their brother members in time of distress, it is only natural for the seamen ashore to assume the burden of defending their brother members until such time as the *President Hoover's* crew will return.

From the time this attack against the seamen hit the public press, there commenced one continuous stream of my membership into my office asking me what I was going to do about counteracting it. My only reply was to take it up at the regular weekly meeting. At our regular meeting of December 16 this issue was debated pro and con. What seemed to puzzle the membership during the discussion was why such a national figure as Senator Copeland should permit his prestige and national prominence to be used in such an unwarranted attack against the *Hoover* crew without their first being given an opportunity to defend themselves. The seamen have not, as yet, forgotten Senator Copeland's attempt to shackle them through legislation with the "fink book." Their only alternative at this time was to assume that this attack was just another attempt to impose coercive legislation upon them in the form of compulsory mediation, now pending before Congress, to which they are vigorously opposed.

I wish at this time, Mr. Chairman, to read into the record a clipping from the San Francisco News dated January 7, 1938, if I may.

Senator THOMAS of Utah. Is it long?

Mr. FITZGERALD. No; it will take only a few minutes to read it, Senator.

Senator THOMAS of Utah. You may put it all in the record and read the part you wish us to hear. That will save time.

Mr. FITZGERALD. This was the day, of course, that the *Hoover's* crew returned, and I believe it is an important article to be read into the record.

Senator THOMAS of Utah. If we should hear it all, let us hear it all.

Mr. FITZGERALD. This is by carrier pigeon to the News.

Denying tales of drunkenness, insubordination, and molestation of passengers, 170 members of the crew of the *President Hoover* that went aground on the Island of Holshoto, off Formosa, arrived today on the *President McKinley*.

Capt. William Fisher, of the Steamboat Inspection Service, assisted by W. W. Storey, headed the marine investigation board, which met the ship and issued subpoenas to all men to appear at a hearing later today. Some passengers on the stranded liner accused the crew of being drunk or disorderly following the wreck.

The crew instructed the Marine Cooks and Stewards Union to elect a committee to investigate and vindicate them of charges made by passengers.

But they emphasized the fact that some 700 passengers were taken ashore in lifeboats through high surf, without injury; that the only injured person was Phil Phillips, bar steward, who wrenched his back in helping to land passengers on the little island whose 1,500 natives hadn't seen a white man in 52 years.

NO LIQUOR AROUND

They stressed the fact the crew was not drunk, because the only liquor was in the possession of the ship's doctor and no liquor was available to them.

The passengers, they said, were cared for on the island in as much comfort as was possible. They had the main food supply—the crew ate what was left. They had the blankets and shelter—the crew slept on the beach or stood around fires; had only blankets which were oil- and water-soaked.

Passengers were kept as dry as possible in the transfer from the lifeboats to shore, the crew said. Crew members and natives carried passengers from lifeboats through the water. Crew members, they said, stood for hours, waist deep in water, and in danger of being crushed by the pitching boats.

The only persons who were intoxicated, crew members said, were passengers.

STEWARD GIVES VERSION

Here is the story of Sammy Cohen, cooks and stewards' delegate, who spoke for the 65 men in the *Hoover's* steward department:

"The *Hoover* went aground at midnight of December 10, 150 yards offshore. There was no panic, although a great many passengers had been drinking throughout the cruise. All were ordered to don life belts at once. Next day at noon the ship was abandoned. The rescue work was orderly, and only a small quantity of liquor was sent ashore with the doctor. The crew did not touch any liquor.

"Only one stove could be moved to the island and that was used to boil coffee. The best food in the ship's stores went to the passengers, and the crew got what was left.

"All the crew blankets were oily or wet, and we were forced to sleep in the open or around the fires. All passengers slept in huts of coral stone.

"The passengers were carried ashore from the small boats to the beach by the crew and natives. On the third night a slight earthquake struck the area and was felt greatly by the crew still aboard the ship."

This is the story of Joe Ryssen, a steward, the only man aboard who could speak Japanese:

"We stationed a man on the beach all day to aid passengers ashore, and we got the natives to carry the passengers through the water. The sailors waded. Some of us stood waist-deep in the water most of the day, passing luggage to shore.

"There was danger to the sailors in the water because boats pitched and threatened to crush them.

"Passengers were given covered space and sailors and crew slept on the beach or stood around fires. Only stove was a cement block with a hole in it. All we could cook was coffee.

"It was cold weather when we went aground. Rain and fog apparently blurred vision and no one saw the island. There was no moon.

"No one was drunk. You couldn't get a drink. The only liquor went ashore with the ship's doctor because it was cold.

"After the passengers left the island, the crew stayed. We were there during a severe earthquake, the worst in 14 years.

"Our blankets were oily and wet and couldn't be used, but the natives were hospitable."

The crew complained of the small quarters on the *McKinley*, saying they had crowded bunks, had to close ports in heavy weather, causing the air to be smelly and close. They said the food was bad for the first week, that there was only one shower for 80 men, and two washbowls.

STORY CORROBORATED

The account of events by Robert Ridgill, delegate of the Sailors Union of the Pacific aboard the *Hoover*, corroborated the accounts of the stewards.

"As to charges of inefficiency," he said, "the record speaks for itself. There were about 25 trained lifeboatmen who removed some 700 passengers from the ship without a scratch, and in a heavy surf, over a sharp coral reef.

"The passengers complained they did not have the right kind of shelter, but they had all there was. The crew stayed outside. The passengers had the food and the blankets.

"There were ridiculous charges that the passengers did not feel safe until the Japanese Navy came, that the officers were afraid to give orders to the crew, and that the women were in danger of being assaulted. There is absolutely no truth to these charges.

"I saw no drinking among the crew. The worst drunk on the island was a passenger who had the D. T.'s.

"One sailor told me he saw a man covered with three blankets lying beside a woman and child who had none. The sailor put a couple of blankets over the woman and child, and the man got mad. Maybe that's where the unfounded charges of 'molesting' came from.

"The first we knew of the charges was when we got to Hong Kong and read the Manila newspapers.

"The captain had called us together and said he was proud of how we handled the situation.

"Coming back on the *McKinley*, some 200 men were in the No. 9 hold, where they usually carry freight. We didn't have a decent meal the whole trip."

It is my humble opinion, gentlemen, that the combined forces responsible for this campaign against the seamen have no sense of fair play. Foul blow after foul blow was struck at the entire personnel of the *Hoover's* crew in their hour of distress.

I should like, if I may, Mr. Chairman, to read a short editorial from the San Francisco News, dated January 8. It is headed, Public Wants the Facts. [Reading:]

The indignant denial from the crew of the steamer *President Hoover* of charges by Senator Copeland that the wreck of the vessel in the Orient was marked by drunkenness in the crew, calls for the fullest and most open inquiry possible. Public welfare and the integrity of the mercantile marine and the men in it can be served by nothing less than all the facts. If such charges were true there would be need for sharp discipline and positive steps to guarantee against such offenses. If they are not true, and we sincerely hope there is no vestige of excuse for the accusations, it is an inexcusable and vicious attack on the men that sail under the American flag. Let there be no hush about this matter. The American people want to know.

That brief editorial expresses the sentiment of the seamen as well as the editorial staff of the San Francisco News. In other words, the seamen want the truth.

I have here, Mr. Chairman and gentlemen of the committee, two official radio broadcasts which were broadcast over station KGGC in San Francisco on January 8 and January 11, respectively. They are in the form of questions and answers, the questions being by the commentator, James D. O'Neil, and the answers by Harry Finch, the engine department delegate, and Miss Hazel Pierce, stewardess, both of the steamship *President Hoover*. I should like to read them into the record. They are notarized as being the true and identical statements broadcast. These two radio broadcasts, Mr. Chairman, duly notarized and signed by the commentator, are records of the official broadcasts by Station KGGC in San Francisco. I should like to read them into the record. I shall read first the certificate of the commentator. [Reading:]

JANUARY 13, 1936.

To whom it may concern:

On Friday night, January 8, and Monday night, January 11, I interviewed, respectively, Harry Finch and Hazel Pierce of the steamship *President Hoover*, on radio station KGGC, San Francisco. The attached copies of the interviews

are correct in every detail. No omissions or additions have been made. The interviews were exactly as recorded in these transcripts.

I know of my own knowledge that both these people are members of the crew of the *Hoover* and from substantiating testimony from many other members of the crew, I know that their statements are correct.

(Signed) JAMES D. O'NEIL

Subscribed and sworn to before me this 13th day of January 1938.

[SEAL]

(Signed) MARGUERITE G. de NEUF,
Notary Public, in and for the city and county
of San Francisco, State of California.

My commission expires October 24, 1940.

THE STEAMSHIP HOOVER DISASTER

The giant Dollar Line *Hoover* is now breaking up on the rocks off Formosa. Thanks to a highly efficient and courageous crew, not a life was lost, not a man or woman was injured in the disaster.

But reports published in newspapers and magazines of America told of a drunken and rebellious crew—of passengers endangered by the insubordination of the men—of wild horror and confusion.

These reports were circulated by malicious interests who are deliberately trying to discredit American seamen. Their purpose is to stampede legislation through Congress that would effectively suppress the maritime unions and leave the shipowners in unconditional authority over the lives and conditions of the men who sail the sea.

This is important to the American people, not only because it represents a dishonest attempt to influence the laws of the country—not only because it is a blow aimed at the people's labor unions, their principal instruments of democracy and protection—but also because a great injustice has been done those men of the steamship *Hoover*, who rose to the occasion with skill and courage and handled their job in a manner to make America proud of its seafaring profession.

This morning the Dollar Liner *McKinley* docked in San Francisco bringing home the passengers and crew of that ill-fated ship.

In the studio tonight we have Harry P. Finch, watertender from the *Hoover*, also an elected delegate of the crew. We're going to ask Brother Finch to come to the microphone and give our listeners a first-hand, eye-witness account of what really happened aboard the *Hoover*.

Will you come up to the microphone, Brother Finch? Thanks. Will you tell us what your job was aboard the *Hoover*?

FINCH. I'm a watertender.

JIM. A watertender is a member of the black gang—the engine room crew. Isn't that right?

FINCH. Yes. A watertender takes care of the water and steam in the boilers.

JIM. Were you on watch at the time the *Hoover* ran aground?

FINCH. I was on duty in the boiler room at the time she hit—12:22 a. m., Saturday, December 11.

JIM. All right, Harry. Tell us just what happened, exactly as you experienced it.

FINCH. We had just finished blowing the tubes and I had sent one of the firemen up to trim the ventilators. Suddenly the telegraph from the engine room rang stand by—then stop. Before I had a chance to put out the fires, the telegraph rang for full steam again.

JIM. That must have been when they put her full astern.

FINCH. Yes. That's what I learned later. We were making 90 revolutions astern when we hit.

JIM. How fast were you going ahead before you got the orders to reverse?

FINCH. I should say about 120. When I got the stop signal, the safety valves lifted. I was knocked up against the boiler. I've still got black and blue marks on my hip. A few minutes later she hit. Then I noticed that the men on the 4 to 8 and 8 to 12 watches were coming down the ladders into the fire room. Half of them weren't even dressed, but were asking what assistance they could render me.

JIM. Those were the other members of the crew who were off watch at the time?

FINCH. Yes. They knew something was wrong and piled out of their own accord and turned to.

JIM. Did you know what had happened?

FINCH. No. But we could make a pretty good guess. We could feel the rocks grinding underneath the ship. There was 18 feet of water in Nos. 1, 2, and 3 holds.

JIM. Did you go up on deck?

FINCH. No. We stayed right on the job until 5 a. m., when the first assistant engineer knocked off the 8 to 12 and 12 to 4 watches. During that time we were getting signals ahead, reverse, and stop, as they were trying to jockey the ship off the reef. We also got busy and started lining up the pumps on the various holds and bilges.

JIM. At 5 a. m. you were knocked off duty and allowed to go on deck. Is that right?

FINCH. Yes. I went up on the fan tail where the steerage and third-class passengers are. I saw that they were all assembled with their life belts on. The sailors, none of whom had life belts on, were cheering up the passengers, laughing, talking, helping them in every way to keep their spirits up and prevent panic.

I noticed one of the passengers started to remove his life belt and a sailor immediately told him to put it back on. All the lifeboats were swinging on their davits ready to be lowered in the water on both sides of the ship. As I looked over the side I could see a large bonfire burning on the beach about 500 feet distant.

I turned in for a couple of hours' sleep. At 8 a. m. all hands were turned to again to close up a boiler in the after fireroom that had been opened for cleaning. The bulkhead in the forward fireroom had begun to give away.

At 11 a. m. I was told to go up and try to get something to eat, as none of us had had any breakfast. All that we could get was coffee and cold sandwiches—which tasted might good at the time.

I took the opportunity while I was top side to watch the passengers going ashore. I saw the last woman passenger going ashore. The sailors had a line rigged to guide the boats in. The boats were all covered with fuel oil which had come out of our tanks which had been broken open.

Then I went on watch again at 12 o'clock noon. There were two boilers steaming and the steam coming up on the boiler we had closed during the morning. When the chief engineer came in and told us we would need only one boiler and to let the steam escape out of the other two. He then closed the watertight door between the fireroom and the engine room, leaving the only means of escape up alongside of the boilers through the fiddley. If anything had happened, we wouldn't have had a chance.

At 12:30 the first assistant engineer came out and ordered that the watertight door be left open to give us some means of escape. At this time there were five men in the fireroom watching one boiler with two fires going in it—which I thought was too many men. I suggested this to the junior engineer, Mr. Terlin, and he gave me permission to send two of the men up on deck.

I went over to the men and told two of them to go. But they all refused. Each one wanted the others to have the chance. So finally we had to toss a coin—and even then it was agreed that the men who went up would stay only an hour, then come back to relieve the others.

The floor plates at this time were starting to buckle up and the steam drums were moving about 18 inches. This was caused from the sea pounding on the ship and the ship pounding on the rocks. Every time she hit we'd take our flashlights and look down on the tank tops, as we expected the boilers to be torn loose from their mounting.

That kept up till about 4 p. m., when I was relieved and went up on deck. All the passengers had been taken ashore. Only the crew was left on board. The boys had had a hard stretch of it, and we were informed that the bars had been thrown open for any man who wanted a drink to bolster himself up. This seemed perfectly natural to us.

JIM. Did you see any drunkenness?

FINCH. We weren't in any mood to go on any drunks. Anyone ought to know that. You go down in that engine room and watch those boilers jumping around for 4 hours and see if that's a picnic. It was perfectly natural when the men had been under such a strain to throw the bar open and let them have a drink around. All the passengers had just been taken ashore, and, believe me, those boys deserved it.

JIM. And what about all this talk of insubordination and wholesale drunkenness?

FINCH. There wasn't any. There wasn't any at all. In fact, there was never an alarm sounded on that ship. There was no need for it. The men all went to their stations and did their jobs without having to be ordered.

JIM. What happened after that?

FINCH. At 6 p. m., we were all ordered ashore. I went up and saw the first assistant and asked him if I should stand-by to help secure the plant. He told me that I wasn't needed. The captain was standing there and told me to go on ashore—that they had barracks arranged for us ashore.

I got in the last lifeboat that left that night. I knew that we had several feet of water to walk through before we got ashore, and I found it was impossible to walk barefoot because of the coral. We have several men suffering from coral poisoning who were brought in on the *McKinley* today.

We had about a 3-mile walk through cold wind and rain to get to the village. When we got there, there was a fire going with coffee on it. The only place I could find to sleep was partly under a shed. I'm positive that not a passenger slept in the open that night, and at least 75 percent of the crew slept outside under hedges, in pig sties, or wherever they could find.

The next day we were all down on the beach bringing more stores, more blankets, and the baggage of the passengers from the ship.

For dinner that day we had chicken and peas—and the passengers were complaining because there were no forks to eat with. That was the day that two destroyers arrived from Manila. They brought fresh water and medical supplies. The water on the island wasn't quite fit to drink.

Things were better organized that night. The majority of the crew had shelter to sleep under. The next day the *McKinley* took the passengers off. We stayed on the island that night and there was an earthquake. It happened about 3 a. m. The fellows ran outside, but found the natives had paid no attention to it. I guess they're used to it. The next morning we noticed a big landslide had come down off the hill.

We were taken aboard the steamship *President Pierce* and taken to Hong Kong. There we were picked up by the *President McKinley* and brought back in the cargo hold like cattle.

JIM. When did you first hear about this accusation that the crew had been drunk and disorderly?

FINCH. When we got the newspapers from Manila, we read about it and the boys were burned up plenty. They'd just been through a tough siege and were proud of the way they handled things. That story was a dirty lie—it was one of the meanest, cheapest, most contemptible stunts ever pulled. How would you like to go through an experience like that, and then, even before you've got back or had a chance to talk for yourself, you are being called a drunken bum, a pirate, a mutineer, a poor seaman and everything else in the book? Whoever made that report was the champion liar of the world—and, I might add, the dirtiest heel.

JIM. What about the island of Kolshoto that you were wrecked on? Did you get a chance to look the place over?

FINCH. About the only thing we got a chance to see was the pitiful poverty of the people. No electric lights—no kerosene lamps—only candles. The people went around in rags and were the most miserable looking lot I ever saw. And they had the strangest breed of pigs I ever saw. And we ought to know—we had to sleep with them. They had snouts about 2 feet long and underslung stomachs that were about 2 inches above the ground. They had hips on them like cows.

There was no sanitation whatsoever on the island.

JIM. It's a Japanese possession, isn't it?

FINCH. Yes, and boy, I pity those Chinese if the Japanese succeed in getting their hooks into them. The people of the island are not Japanese, but all the officials, police, and so forth, are Japanese.

I saw a Japanese policeman take a halter away from a native bull cart driver and beat him unmercifully with it. The native didn't dare resist—but just had to stand there and take it. The natives raise sweetpotatoes and peanuts and do a lot of fishing. They also raise deer. The Japanese seem to squeeze them dry and leave them with barely enough to keep nourished.

JIM. Well, thanks a lot, Harry. We do our best on this program to give the real news and give it straight. You can be sure we didn't give any lying reports about the crew of the *Hoover*.

FINCH. Speaking for the crew of the *Hoover*, I want to thank Labor on the March for enabling us to tell our side. We're not going to take this lying down.

We're going to do everything we can to tell the truth and let the public know the facts.

JIM. You've just heard an interview with Harry Finch, water tender from the *Hoover*, and elected delegate of the crew. Finch just arrived in San Francisco this morning from the Orient.

That, Mr. Chairman, completes the radio broadcast of Harry Finch, the "Black Gang" delegate, as we term the unlicensed personnel of the engine department.

I now want to take up the broadcast by Miss Hazel Pierce, on January 11, which was 3 days later [reading]:

We have with us in the studio tonight Miss Hazel Pierce, stewardess from the wrecked Dollar Liner *President Hoover*. We are going to ask Miss Pierce to step to the microphone and answer a few questions about the *Hoover*.

JIM. How long have you been going to sea, Miss Pierce?

HAZEL. A little more than 3 years. Most of that time with the Dollar Line. I also served with the Grace Line before my present employment.

JIM. You've seen quite a bit of the world, then, haven't you?

HAZEL. Yes; about 18 round trips to the Hawaiian Islands, Japan, China, and the Philippines.

JIM. You were on the *President Hoover* in this disaster, Miss Pierce?

HAZEL. Yes; I was stewardess on the *Hoover* in this wreck. I was aboard her the 30th of August when she was bombed by the Chinese. The next trip we ran into a typhoon out of Manila, and the next trip we brought up on the coral reefs of Holshoto Island.

JIM. You've crammed enough adventure into those last three trips to last the average girl more than a lifetime.

HAZEL. Yes; a stewardess sometimes has unusual experiences. It's the luck of the sea, however. Some people go to sea all their lives and never know shipwreck, hardship, or trouble. I know of none who have been bombed by a Chinese air squadron at sea.

JIM. Suppose you tell us something of that, Miss Pierce, I know all our listeners, particularly the ladies, will be interested.

HAZEL. It was about 5 o'clock in the afternoon of August 30. We had already completed a run from Shanghai to Manila, leaving Shanghai August 12. We were going from Manila to Shanghai, with orders to stand by for further refugees to be transported out of China when the attack took place.

It was a perfect day when the *Hoover* was bombed. Planes had been circling us since noon and the passengers were interested in their maneuvers. Three planes—we later learned they were Chinese—suddenly attacked the *Hoover*. It was about 7 minutes past 5 when the first bombs were dropped. One burst off the starboard side of the ship and two landed in the water off the port bow.

The bomb that did the damage and cost the life of an American boy hit the ship at 5:15 exactly.

JIM. You have that down pretty fine, Miss Pierce. Exactly 5:15.

HAZEL. That's right; 5:15 to the dot. The bomb hit 4 feet from the after stack of the *Hoover*. The concussion stopped every clock in the after end of the ship and the hands were pointed at exactly 5:15. There could be no chance of mistaking the time.

JIM. Was it an honest mistake, do you think?

HAZEL. I haven't a doubt of it. You see the Japanese have three big ships which greatly resemble the *Hoover*. The *Asama* and *Chichibu Maru* have two stacks, and are about the same size and build. In addition the *Hoover* has a red band on the black stack with a white dollar sign on the red band. The Japanese ships have black stacks with red and white bands concentrated near the top. From the air the Chinese could easily have mistaken our vessel for a Japanese. I believe that the aviators thought they were bombing a big Japanese troop ship.

JIM. Sorta tough being out there where you couldn't duck, hide, run, or dig a hole. Just stay there and take it and pray that the flyers were hum shots.

HAZEL. Once is enough for me. I got a big kick out of it—but the kind of a kick that leaves you fluttery inside. It will last me forever. I'd just as soon leave the bombing out of my future cruises.

JIM. And now we come to the typhoon trip.

HAZEL. That was about 2 days out of Manila on the trip before the *Hoover* was wrecked. The storm lasted 28 hours. It started about 6:45 a. m. and I guess we passed through the center of the typhoon. I was awakened by a cascade of glass from the medicine chest. I climbed out of my bunk and tried to pick up the bottles that were cast adrift. I found it impossible to stand. I cut my ankle badly and finally gave it up as a bad job.

JIM. A regular ring-tailed snorter, huh?

HAZEL. And then some. The storm did about \$5,000 damage to the steward's department alone in broken glass, dishes, utensils, and furniture. Water was 3 feet deep sloshing through the special-class quarters. The passengers collected in the continental lounge on prom deck, most of them sitting on the floor hanging onto something. It was impossible to stand. No fires were allowed in the galley due to the danger to the ship and the galley crew. Sandwiches and coffee were served in the passengers' rooms.

JIM. And after a bombing one trip, a typhoon the next, we find the next one smashing full speed ahead on the rocks. Tell us about that.

HAZEL. Well, seafaring people are superstitious, as you know. When the bombing came, I felt that it started a train of events. The typhoon was number two. In a spirit of "well, what next," I remarked to a crew member, "All we need now is to slam her on the rocks. That's about all that hasn't happened to us." And sure enough, the very next trip we filled the three-times superstition on the bleak and hungry coral island off Japan.

JIM. There has been much talk in this country, Miss Pierce, about the behavior of the crew. You were with the passengers, in your position of stewardess. You are also a member of the crew. What did you see and hear when the *Hoover* went aground?

HAZEL. The *Hoover* struck in the 12 to 4 watch. By that I mean it was about 15 minutes after midnight. Most of the crew had turned in, with the exception of the crew who were on the 12 to 4 watch. For that reason it is impossible that the crew could have been drinking or drunk. I have never been shipwrecked before, and I sincerely hope I shall never be again. But if it has to come, I only hope that my life and the lives of the passengers are entrusted to men of the kind who saw the *Hoover* through her last hours.

JIM. That's quite a tribute to the men of the *Hoover*, Miss Pierce.

HAZEL. They have it coming to them. The lies, the insinuations, and the reports that were circulated, made up out of whole cloth, not one iota of truth in them well, they made the boys pretty sick. Especially when you stop to think that they landed those passengers with their baggage without loss of a single life, nor injury to a single passenger. The seas were high, and the beach a rocky, coral-strewn mess. Crude oil was over everything. Slipping, sliding, falling, and crawling around on the beach, the crew did a grand job.

JIM. Notice any signs of intoxication, rebellion, or mutinous conduct?

HAZEL. No, sir; I did not. I could elaborate on that statement, go into further detail—but it is not necessary, I could not see what was not there to be seen.

JIM. How about the passengers?

HAZEL. The passengers, on the whole, were pretty fine about it. I can find no complaint with their conduct. But there is one thing I want to tell about tonight, while I'm here, if you have no objection.

JIM. About the shipwreck, Miss Pierce?

HAZEL. Yes, sir.

JIM. Go right ahead. There have been enough lies told about the wreck almost before she hit. Let's have the truth from someone who was there. The air is yours. Go right ahead.

HAZEL. Well, here it is. Two hours after the *Hoover* struck we were notified that our pay had stopped.

JIM. What?

HAZEL. Yes; that's true. They took time out to pass the word along that we were on our own now and that our pay had ceased. I mention this only because it seems to me that it is not the way to build morale in a shipwrecked crew, to tell them they are working for nothing 2 hours after we hit a reef. And then to find the lies, the false stories, circulated about the men of the crew. They did a grand job when the *Hoover* hit. They upheld the highest traditions of the sea. They were sober, reliable, efficient. They carried out their orders. They went without to see that the passengers, the women and the children, had what was needed to make life bearable.

JIM. Yes; we heard about a drunken party on Hoishoto Island almost at the same time we heard the *Hoover* had stopped there permanently.

HAZEL. There was not a word of truth to it. I can't express too highly my appreciation of what the men did. I saw it. I was there. This isn't any hearsay, and I am taking no one's word for anything. I stretched out on the bare boards on the island that night. I climbed over the coral and saw the actions of the men, the officers, and the passengers.

JIM. How long were you on the island?

HAZEL. We were 2 nights and 2 days on the island. Then we were picked up by the *President McKinley* and taken to Manila. The *McKinley* took two injured men, who were sick before the *Hoover* struck, together with the passengers and women of the crew. Aboard the *McKinley* we returned to the States.

JIM. You've had quite an experience. It doesn't seem to have left you looking anything but fit. Going back to sea again, Miss Pierce?

HAZEL. Yes; I am. But not right away. I'm going to take a little rest. Not too long. Then I expect I'll be shipping out again. And I'm wondering even now what the sea holds in store for me this time.

JIM. They say the sea gets in your blood, and I suspect there's more than a touch of salt in yours.

HAZEL. I want to stress one thing again before we end this interview. On whatever ship I sail, wherever it goes—the round-the-world run, the horseshoe run, the intercoastal, anywhere—I'll never ask for nor expect to find a better bunch of men, a finer crew, than sailed the *Hoover* on her last voyage. I'll take my chances with them any time, anywhere. They have the praise of the world coming to them, instead of having to face a barrage of lies. I want to make that clear.

JIM. I think you have, Miss Pierce, and I want to thank you for the time and trouble you have gone to in coming here tonight to be with us on this broadcast. Wherever you go I hope this time the jinx is broken and the rule of three has run its course. Here's sunny skies and smooth seas, for a couple of trips anyway, and thanks again.

HAZEL. Thank you and for the men of the *Hoover's* crew, thanks for telling the truth about the shipwreck.

You have just heard Miss Hazel Pierce, stewardess from the *President Hoover*, who has just returned to the United States from Holshoto Island, where the big passenger liner was wrecked. It is interesting to learn the new safety-at-sea laws for the Pacific Ocean. In case of shipwreck—fire the crew.

Senator BAILEY. Mr. Chairman, what are we trying to do here? What is the object of this? What are we driving at?

Mr. FITZGERALD. May I answer that question, Mr. Chairman?

Senator BAILEY. I get your point of view, and I am not complaining of that, but I should like to get the committee's point of view. Are we trying to find out what happened on the *President Hoover*?

Senator THOMAS of Utah. We have heard testimony on the other side, Senator Bailey, about what took place, and I think the testimony which is being given is perfectly proper, and good for our information.

Senator BAILEY. Do we have in mind some possible legislation about it? Is that what we are driving at?

Senator THOMAS of Utah. The testimony has already been introduced about the conduct of the crew on the *President Hoover*. The committee was dealing with the maritime bill, the shipping bill.

Senator BAILEY. Is it in contemplation that we should write something in that bill based on this wreck?

The CHAIRMAN. Mr. Chairman, I should like to say that so far as I am concerned, I am anxious to have this record be a fair and unbiased record. There is a great deal of material before us already, not from members of the crew, but from passengers, criticizing the crew and the management of affairs. So far as I am concerned, regardless of how unpleasant it is personally, I am anxious to have these sailors feel that they have had a "chance for their white alley" to say anything they like.

So far as this legislation we are talking about is concerned, all of it was prepared in the departments. I have nothing to do with it,

but it is my duty as chairman of the Commerce Committee to do what I can with it. I do not want to have any member of these unions feel that he has not had an opportunity to give expression to his views.

Senator BAILEY. Mr. Chairman, I will agree to that. We have to give the members of the union and everybody else a square deal, but this committee has no right, nor has any other committee of the Congress a right to conduct an investigation or have any function whatever in those matters except with a view to legislation. If we are to make a business of trying to correct newspaper reports and clearing the air on occasions of this sort, we have altered our function, and I must say that we have taken on a great deal more than we can attend to. I do not know what we mean to do about it. Are we going to have a committee of the Senate to meet every time something happens? If we reach out, it would be in the form of legislation, and not a judgment. We would frame an opinion, and then frame a law. That is all we can do. I should like to go into this, however. We have a serious charge against the chairman. If he wishes us to hear it, alright.

The CHAIRMAN. Mr. Fitzgerald, is the rest of it of the same tenor?

Mr. FITZGERALD. Mr. Chairman, it is all in refutation of the charges against the personnel of the *President Hoover's* crew. It is all practically of the same tenor.

The CHAIRMAN. Would you be willing to insert that in the record?

Mr. FITZGERALD. Yes. That is perfectly all right.

The CHAIRMAN. Then, proceed to any comments you care to make about the pending legislation.

Senator BAILEY. Who is here supporting the accusation that the chairman lied about something? Let us hear that.

Mr. FITZGERALD. Do you want me to answer that, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. FITZGERALD. Upon the instruction of my membership, after they had read the press releases in San Francisco definitely quoting Senator Copeland as charging the unlicensed personnel of the *President Hoover* with these offenses, such as drunkenness—

Senator BAILEY. Let me get it straight. If a man in an official capacity files charges upon information and belief, but you believe that the charges are false, you do not think that you have a right to say that he is a liar, do you?

Mr. FITZGERALD. Senator, when we—

Senator BAILEY. Let us get right down to it. I know you do not think so. You might just as well say you do not. You have to do that sometimes. You would not say that a man was a liar simply because he filed an accusation upon information and belief, would you? Every prosecuting officer in the country has to do that.

Mr. FITZGERALD. But I would not think that the gentleman would file the charges unless he could prove them, Senator. That is the point I should like to come to.

Senator BAILEY. Oh, yes. When he files a charge, the law presumes that it is not true. The law presumes that the charge is false. A defendant comes into court with the presumption of innocence, but nobody says that the prosecutor lied. You are not trying to sustain that view, are you, that just because there is a general newspaper report here about those men on the *President Hoover*, somebody saying that they were drunk, and somebody saying that they did un-

mannerly things, and the chairman says he will have charges of that character investigated—you would not say he was a liar, would you?

Mr. FITZGERALD. Individually, I would not say that; no.

Senator BAILEY. Would anybody say that?

Mr. FITZGERALD. No; but, Senator, what seemed to confuse my membership more than anything else, as I have already read into the record, is why a gentleman of Mr. Copeland's national prominence made no endeavor to suppress the publicity linking his name up with the charges.

Senator BAILEY. Do you think it is one of his functions to suppress publicity? Do you think the Senator could do it if he tried? Even the President cannot do that.

Mr. FITZGERALD. I imagine his protest would have tremendous bearing.

Senator BAILEY. A mere protest against publicity fans the fire. That does not stop it. You are not holding our chairman, or the members of the committee, to the duty of suppressing publicity. This is a free country with a free press. We go on the idea that we have freedom of opinion and freedom of talk.

Mr. FITZGERALD. That is true.

Senator BAILEY. It is based upon the theory that this is a fool-proof world. That theory does not hold good, but we cannot help it. You do not hold us to any such responsibility, do you?

Mr. FITZGERALD. No, of course not.

Senator BAILEY. What about this charge? Did you make the charge?

Mr. FITZGERALD. No, sir; I did not.

Senator BAILEY. Who made the charge?

Mr. FITZGERALD. My membership; my membership in meeting.

Senator BAILEY. What would you say, in the light of what we have just discussed? Let us come right down to it, man to man, in a perfectly fair way. I have no prejudice against you people, and I should like to afford you absolute justice.

Mr. FITZGERALD. After all——

Senator BAILEY. Just let me frame my question. What would you say to the filing of a charge upon information and belief, or newspaper reports, by the chairman of this committee with a view to investigation? You would not say that that was lying, would you?

Mr. FITZGERALD. No, of course not.

Senator BAILEY. You would not call that lying?

Mr. FITZGERALD. No, sir.

Senator BAILEY. You would say that that was all right, that that is the way to bring about an investigation, would you not?

Mr. FITZGERALD. That is true.

Senator BAILEY. What is the basis, then, for this accusation against our chairman?

Mr. FITZGERALD. After all, Senator, I am only one voice in 700.

Senator BAILEY. You are the only one we can reach. Would you not go back and tell your men, the other 699, that that was not quite the way to do? This idea of jumping up and calling a man a liar just because he prefers a charge is not quite the way to do it.

Mr. FITZGERALD. I certainly would take that information back to my membership if Mr. Copeland told me that he had absolutely nothing to do with these charges reported in the press.

Senator BAILEY. Suppose Senator Copeland says, "I saw these reports in the paper. I was troubled about them, and I said I would have them investigated, I would lay them before the committee for investigation; I would lay them before the Department of Commerce for investigation." You would not go back and tell your men that he should be called a liar just for doing that, would you?

Mr. FITZGERALD. Of course I would not.

Senator BAILEY. Senator, is not that the size of it? Is not that all you did?

The CHAIRMAN. That is all.

Senator BAILEY. I think we have cleared that. He says he understands that, and he will tell his men that. That gets rid of an ugly situation. Men ought not to call each other liars, anyhow, unless they are ready to fight. Sometimes they do it.

Now, let us get to the other matter——

Senator THOMAS of Utah. Would it not be wise, in getting rid of this situation, to point out the utter futility of ever gaining a point by calling the other man a liar?

Senator BAILEY. The other man simply says, "You are another."

Senator THOMAS of Utah. When you and your 699 associates subscribe to a telegram which calls an assumed opponent a liar, you immediately lose caste in the press, and lose all the moral support which the public might otherwise give you. The mere fact that you call a man a liar does not in any sense prove him to be a liar, but it does say something about the fellow who does the calling. Since Mr. Fitzgerald has mentioned publicity and the ability of Senator Copeland to stop the publicity, I think a lesson ought to be brought home to these men that such a telegram works as a boomerang to the nth degree, and it reacts against yourselves in gaining publicity. Senator Copeland surely would call no one a liar.

Senator BAILEY. Senator, if a man called me a liar at a distance of 3,000 miles, I should not take it very seriously. [Laughter.] I think they got heated up. I do not believe that anybody thinks that our chairman is a liar. I should not go that far. I hope and pray that I will never have to have a Senate committee find that I am not a liar. That would not set very well on my kinfolks.

The CHAIRMAN. I think the whole episode, however, has a real value, because it has given these men a dramatic opportunity to bring forward a denial of the popular belief spread by the newspapers that there was a lack of discipline on the *Hoover*. I am convinced, and have long since been convinced, that the great majority of the crew on the *Hoover* did a fine job. I agree with that fully.

Senator BAILEY. I think that is the evidence so far.

The CHAIRMAN. Now, Mr. Fitzgerald, you are on the witness stand, and you have a good opportunity to express what you think ought to be done, in order to bring peace on the sea.

Senator BAILEY. Senator, before you go into that, do you not want to investigate this further allegation in the telegram that you were the father of some legislation that was called "fink" legislation? I have a distinct recollection that that has to do with these books that we had last year. I should like to hear from these gentlemen as to what they meant by that.

The CHAIRMAN. I have some grievance there, because I have been picketed and abused. I do not think I have lost weight or suffered by reason of it. As I say, I have been picketed and abused over legislation which was urged here for 25 years by the seamen. The bill which was sent down to me from the Commerce Department provided for the "fink book," but I have become the personification in that my name was attached to the bill, and therefore I must be responsible for it.

I should hate to be responsible for much of the legislation which has been presented here officially in my name. These bills come down from government sources, and the only function I have is to preside over the meetings of the committee, to determine whether it is good legislation or not. What do you have to say about that part, Mr. Fitzgerald?

Senator BAILEY. I should like to read that language in the telegram. Let us see what he has to say about it.

The CHAIRMAN. I am not sure that that was in the telegram. Was not that in what you said?

Mr. FITZGERALD. The substance of the telegram was condemnation of certain statements attributed to you in the press. I do not believe the legislation was mentioned in the telegram.

The CHAIRMAN. You have mentioned it, however, in your statement.

Mr. FITZGERALD. I have mentioned it in my statement.

The CHAIRMAN. Did you think, Mr. Fitzgerald, that I was personally responsible for the "fink" bill?

Mr. FITZGERALD. No; but there is a psychological effect on any of the constituents of this country when the name of a Senator or Congressman is attached to a bill. We immediately assume that it is his brain child, Senator. That is the psychological effect on us, and you cannot blame us.

The CHAIRMAN. I must say that most of these are foster children. [Laughter.]

Mr. FITZGERALD. We do not look at it in that light. We assume that it is the brain child of the man whose name is attached to it, due to the fact that it bears your name. That is the way we look at it.

The CHAIRMAN. Go ahead.

Mr. FITZGERALD. My organization, as I stated in my statement here, is absolutely opposed to compulsory mediation.

Senator BAILEY. You are going to leave this "fink" bill, are you?

Mr. FITZGERALD. I merely mentioned the words "fink book" in trying to express the sentiments in the minds of the seamen regarding Senator Copeland.

Senator BAILEY. Let us look at the justice of it. You have to deal with that, and we all have to deal with that.

Mr. FITZGERALD. We had to deal with it at that time, Senator, when it was being attempted to be forced on us, but we have not got it.

Senator BAILEY. Would you feel, just because Senator Copeland or any other Senator supported legislation that was disagreeable to you or to your friends, that that would justify you in impugning something bad to his character or his attitude?

Mr. FITZGERALD. No; I would not exactly put it in that way, Senator.

Senator BAILEY. You would disagree with it, and you would oppose the legislation, but you would not impute something mean to the man, would you?

Mr. FITZGERALD. No; but I would immediately commence to look beyond the Senator and see who was behind him trying to urge that.

Senator BAILEY. But you have not found anybody here behind Senator Copeland, have you?

Mr. FITZGERALD. No.

Senator BAILEY. You and your associates would not say that Senator Copeland had somebody behind him, or was actuated by improper motives in supporting that legislation, would you?

Mr. FITZGERALD. Somebody must have brought it to the Senator's attention, though.

Senator BAILEY. Assuming that somebody brought it up here, it was probably brought up in good faith. Whoever brought it here thought it would be a good thing.

Mr. FITZGERALD. In other words, shall we say that the Senator was victimized?

Senator BAILEY. No; nobody was victimized. This is a fallible world. We are all making mistakes, all the time. None of this legislation down here is perfect. Most of it has to be changed in the course of time; but what I am getting at is the point of view. You would not judge me as being actuated by some animus toward you and your group merely because I supported a bill which you did not like, would you? You would agree that I made a mistake, but you would not impute bad faith to me, would you, or accuse me of being unjustly disposed toward you? I might be misinformed, or I might just make a mistake. We all do. You would not go at a man by way of denouncing him, or suspecting his motives just because he introduced some legislation that was not really good?

Mr. FITZGERALD. I would not denounce you personally, Senator; no.

Senator BAILEY. Was not this an imputation against him on account of this so-called "fink book"? I have very vague recollections about it. I do not know how I voted, but what I am getting at now is the content of this telegram. It made a bad impression for your friends. They probably did not hurt Senator Copeland. But assume that you did not like the bill; assume that the bill was against what you conceive to be your interests. Is that any justification for sending a telegram down here that tends to reflect upon the good faith or the character of a Senator? What would you say about that?

Mr. FITZGERALD. I would just simply say this, Senator, that the men have not really gotten over the effect of Senator Copeland's name being attached to the so-called Copeland "fink book," as it was very widely publicized at the time the bill was before the Congress. They therefore still had a bit of distrust for any legislation which, perhaps, Senator Copeland may in the future try to put through Congress, especially having in mind that his name was connected with certain press releases in regard to the *Hoover* situation.

Senator BAILEY. Assume that is so. You would not say that even that state of mind would justify them in sending an insulting telegram, would you?

Mr. FITZGERALD. It probably might not have been justified Senator, but it is mighty hard to convince the ordinary fellow——

Senator BAILEY. I understand the operations of human nature, but we are sitting here now quietly discussing this man to man. You would not say that that was the way to go about it?

Mr. FITZGERALD. I would not, personally.

Senator BAILEY. Would you go back and tell those men, your friends, that that is not exactly the way to go about it?

Mr. FITZGERALD. I may not have an easy time trying to convince them, Senator. How do you know that I have not tried to convince them before?

Senator BAILEY. I have not had any great difficulty in convincing you, sitting here and talking with you, getting together as man to man. You say Senator Copeland introduced that bill, which is a terrible bill; but you should not impute any reflection on his character by reason of that.

Mr. FITZGERALD. No.

Senator BAILEY. Would you disavow any intention to reflect upon the motives of Senator Copeland?

Mr. FITZGERALD. I certainly would.

Senator BAILEY. Senator, why does not that clear it up?

The CHAIRMAN. I did not get it.

Senator BAILEY. There is a disavowal of any intention to reflect upon your character.

The CHAIRMAN. I do not think that Mr. Fitzgerald ever intended to do it, but I think it is a good thing for him to come here and present the matter.

While he is here, however, I want to make it clear, in connection with the fink book, which has been discussed, that the language for that was taken out of S. 1933, presented by Senator Robert La Follette, and was written by Andrew Furuseth, the old hero, who was a great supporter, and the legislative agent here, of the seamen. That is where it came from. Then it was sent to me from the Department. Here is the bill that was introduced by Senator La Follette, on the 19th of February 1935 [handing a document to Mr. Fitzgerald]. Provision was made here for the seamen's continuous discharge book, on page 9. You put that in the files of your organization. There is the origin. I did not write it. I would not know enough about the subject to write it. But that was the source of it. It was written by Andrew Furuseth and presented in the Senate by our colleague and highly respected friend, Senator La Follette. Then it was worked over in the Department of Commerce and sent down to the chairman of the committee, who, exercising his painful duty, presented it to the Senate. That is the way all these bills arise.

Senator BAILEY. They are not imputing anything to you, Senator. What happened was that they were all excited and irritated about these terrible reports in connection with the *Hoover*. Somebody wrote the telegram. Six hundred men never signed a telegram since God allowed us to invent the telegraph instrument. Somebody wrote the telegram, and he was not thinking very much. He was excited,

and it was in the nature of a reflection. But Mr. Fitzgerald says, in both cases, that there was no reflection intended. Why is not that a satisfactory disposition of it?

Senator THOMAS of Utah. I think it is perfectly satisfactory.

The CHAIRMAN. It is wholly satisfactory to me.

Senator BAILEY. I think that ends that.

The CHAIRMAN. I want to say further that I have talked with Mr. Fitzgerald about the maritime situation and have found that he knows a great deal about it—a thousand times more than I know. His testimony would be very valuable to us as regards many features of this bill.

Senator BAILEY. Did that fink bill pass?

The CHAIRMAN. Yes; the fink bill passed.

Mr. FITZGERALD. It was amended, Senator.

The CHAIRMAN. They had a thousand men down here last year, with sandwich men carrying placards reading, "Down with the Copeland fink book." I ran for office this summer, and everywhere I spoke the Copeland fink bill was brought up.

Mr. FITZGERALD. I believe if I could have been here at that time, I would have been successful in having your name withdraw from that bill, Senator.

The CHAIRMAN. That is probably true.

Mr. FITZGERALD. I do not like it, myself.

The CHAIRMAN. I want to say that it was with my full approval, after a gentleman's agreement between members of the union and officials of the Steamboat Inspection Service, that the certificate was offered to take the place of the fink book. I cooperated in that effort. To be honest about it, I do not think that the unions quite kept faith with the agreement, which was that there should be no discrimination against a sailor who presented the fink book in preference to the certificate, but that is neither here nor there.

If you men could get out of your heads the idea that we here are the emissaries of the shipowners, and that we are trying to impose burdens upon you, then we could make progress. I have said more frequently than any other man in this room that if I had my way I would put all the shipowners in a big net and sink them at sea. Every shipowner, at one time or another, has been angry at me. I remember at one time John Franklin was hardly willing to speak to me for 6 months, because I said that to him in a hearing.

I wish you would make clear to your colleagues that we are here to try to formulate useful legislation. I want to have an American merchant marine. You cannot have an American merchant marine without American seamen, well-qualified, well-disciplined seamen. You have more at stake than any member of the committee. It does not mean a thing to me, personally, whether there is an American merchant marine or not, except so far as my pride is concerned, but it means everything to you because it means your living. It means the living of your families and the support of your people. In heaven's name, can we not enter into this matter in that spirit, and try to bring about some legislation that will be useful? You cannot have all you want. Neither can the Maritime Authority have all it wants. There are things in that bill which I presented which I would not vote for on a bet. I would not build ships abroad. You could not hire me to do that. There are other things. But that was the

bill, and I insisted that they should write it and put in everything that they wanted. Here we have it, and there are many features in it that are extremely valuable. You must remember that every one of these shipping companies is just a jump ahead of the sheriff, and that means that if the sheriff catches up with them and the business is closed up, you are out of a job.

Today a startling statement was made. This very afternoon the statement was made that we should change our intercoastal and coastal laws and let foreign vessels carry this tonnage. If that happens, where are you? Where are the American sailors? They are just ruined. I myself could write a law to change the law so that foreign vessels could enter the intercoastal and coastal trade, and then you would be sunk. I do not often write a law, Mr. Fitzgerald, and have written very few of them, but it would be very simple to change the law so that foreign vessels could enter the intercoastal and coastal trade. You would be sunk then, would you not?

Mr. FITZGERALD. Yes.

Senator THOMAS of Utah. You have there probably the best illustration you could have of how news sometimes originates. Senator Copeland has just said that the suggestion was made this afternoon that we repeal our intercoastal shipping laws. I asked the question if that would solve the problem. It would be very tough on me if the news went out that I had suggested that we repeal that law.

Senator BAILEY. Senator Thomas, do you not think we might improve this situation if we could modify Senator Copeland's murderous disposition? He wants to sink all these shipowners in the sea. [Laughter.]

Mr. FITZGERALD. You will perhaps receive a telegram from the shipowners condemning you for that.

Senator BAILEY. I believe we have all that clear. I will have to go in just a minute.

In connection with this wreck of the *Hoover*, it is perfectly clear, is it not, that certainly nine-tenths of the crew behaved themselves in a way worthy of all the traditions of the sea? Is not that so? Is there any complaint as to the general conduct of the crew?

Mr. FITZGERALD. None to my knowledge, Senator.

Senator BAILEY. I should like to ask the chairman a question. Is it not true that the crew as a whole conducted themselves in a way that commanded admiration? They landed all the passengers.

The CHAIRMAN. I think so now, and I always have thought so.

Senator BAILEY. We have got that far. If there was any delinquency, it was just in individuals here and there. Is not that a fact?

The CHAIRMAN. That is right.

Senator BAILEY. Is not that matter referred to the courts? I heard Mr. Lundeborg testify this morning that there was to be a hearing in the Federal court.

The CHAIRMAN. The Steamboat Inspection Service.

Mr. FITZGERALD. I can enlighten you a little on that, Senator. If I may, I should like to read an editorial that was written after the hearings transpired in San Francisco.

Senator BAILEY. We will be willing to hear that. That is just an editorial.

Mr. FITZGERALD. Yes.

Senator BAILEY. I used to be an editor myself. I do not attach great importance to that.

Mr. FITZGERALD. It is attributed to United States District Attorney Hennessey's report on it.

Senator BAILEY. You know how editorials are written.

The CHAIRMAN. Put it in the record.

Senator BAILEY. The editor just has to write something.

Mr. FITZGERALD. But he has to get the gist of it from somebody.

Senator BAILEY. No; he does not. He does not have to get anything. He just gets something off his chest. I wrote them for 14 years. I know about that. Sometimes we have the last end of a third column to fill up.

(The editorial referred to is as follows:)

[San Francisco News, January 11]

"HOOVER" SAILORS CLEARED

United States District Attorney Hennessey's finding that there is no basis for charges of drunkenness and worse among the crew of the *President Hoover* in the hours after her shipwreck off Formosa will be welcomed by all who value the good name of Pacific coast shipping.

There has been enough and too much justified complaint of discipline on American ships during the past 3 years, and we are thankful that these particular reports emanating from a few excited passengers are discredited.

The facts on which Mr. Hennessey bases his decision not to prosecute were adduced at an official hearing before the Bureau of Marine Inspection and Navigation of the Department of Commerce, which cannot be charged with leniency or prejudice toward the seamen. Evidence so far given indicates the crew obeyed officers and did good work.

Deplorable as some of the happenings aboard ship have been in recent years, they have not yet shaken our faith in the traditional courage and discipline of seamen in the face of shipwreck and danger. That is a tradition of great value and one to which we instinctively wish to cling regardless of where our sympathies lie in current disputes between owners and seamen.

Senator BAILEY. I think we are getting along now. If there is an investigation, it will be made under the Federal jurisdiction, and it will be judicial in character and it will relate to individuals, will it not?

The CHAIRMAN. Yes.

Senator BAILEY. Why can we not find, then, as a matter of record, for the benefit of all concerned, that the conduct of the crew in general on the *Hoover* was worthy of the best traditions of the sea?

The CHAIRMAN. That is all right. I would not question that.

Senator BAILEY. I do not think anybody would dispute it. If there was any delinquency, it was in isolated individual cases, and those cases will be heard in due course. Why does not that dispose of it? What do you say to that, Mr. Fitzgerald? We are willing to have you put your case in the record, because one has been put in against you, but have I not correctly stated your impression?

Mr. FITZGERALD. That is true, Senator.

Senator BAILEY. That will save a lot of time.

The CHAIRMAN. Does Mr. Fitzgerald wish to testify with regard to anything else?

Senator THOMAS of Utah. He wanted to say something about mediation and why he opposed it.

Mr. FITZGERALD. I should like to express the views of my organization and their reasons for opposition to it.

We have at this particular time an apparatus known as the port committee, which consists of two representatives of the employers and two representatives of the employees. Any time any differences or disputes arise, we indicate to the chairman of that body that we want to have a committee hearing, and within 24 hours we go up there and iron out our differences. In the event that we become deadlocked under that arrangement, we have, according to our agreement, a proviso calling for a referee, a disinterested party acceptable to both sides. He comes in and takes over the case and his decision becomes final and binding on both sides.

In connection with the imposition of compulsory mediation on us, we have in mind the Railway Labor Act, wherein the major economic weapon we have would be taken away from us. Any dispute that arises under such legislation takes months and months and months before it is finally ironed out.

The CHAIRMAN. May I ask you a question? Is it your view, Mr. Fitzgerald, that if the unions are left alone now there will be peace on the sea?

Mr. FITZGERALD. Yes; of course—if we are left alone and the employers and the unions get together and live up to their agreements, there is absolutely no need for any governmental board interference, in my opinion.

The CHAIRMAN. Mr. Emerson the other day placed in the record, beginning at page —, a copy of the agreement with the Black Diamond Line. I understood Mr. Emerson to say that that was the standard agreement. You now have a dozen of them.

Mr. FITZGERALD. Yes.

The CHAIRMAN. The Standard Oil having come in, you have 12 agreements.

Mr. FITZGERALD. We have no agreement with the Standard Oil.

The CHAIRMAN. I thought you had an agreement with the Standard Oil.

Mr. FITZGERALD. No. That is the N. M. U. I represent the west coast.

The CHAIRMAN. Is there any machinery set up in those agreements so that we will have peace?

Mr. FITZGERALD. In my union? Any reference you make now is to the west coast?

The CHAIRMAN. You have a different arrangement on the west coast, then, have you not?

Mr. FITZGERALD. No. We have the port committee set-up.

The CHAIRMAN. You have a port committee of even numbers. You do not have that odd member unless there is trouble.

Mr. FITZGERALD. In the event we cannot come to a decision between the employer and the employee, we hand it to a referee. We call a man mutually acceptable to both of us.

The CHAIRMAN. It is the same arrangement. The only difference is that on the east coast, if a seventh member is needed, he should come from the committee on arbitration.

Mr. FITZGERALD. That is right.

The CHAIRMAN. Or the American Arbitration Association.

Mr. FITZGERALD. Yes.

The CHAIRMAN. You had the port committee for a good many years.

Mr. FITZGERALD. Yes.

The CHAIRMAN. Why did it break down?

Mr. FITZGERALD. Has it broken down?

The CHAIRMAN. What prospect is there now that it will not break down?

Mr. FITZGERALD. The reason it will not break down, as I contend, is that the employer must indicate his willingness to abide by the agreement, and also indicate his willingness to adjudicate any clause in the agreement that can be adjudicated between the representatives of the company and the representatives of the union, instead of referring it always to an outside party. My union contends that anything that is definitely covered in the agreement can be very easily ironed out in that manner.

The CHAIRMAN. There was a witness here this afternoon from the port of Portland, who said that there had been 91 strikes last year. What did he say about that?

Senator THOMAS of Utah. Something like that.

The CHAIRMAN. Why did that happen? Does not that show a defect in the machinery?

Mr. FITZGERALD. Not necessarily. It does not indicate in my opinion a defect in the set-up. I think he specifically referred to the port of Portland. Is not that so?

The CHAIRMAN. The port of Portland. He is a member of the Commission there. Of course, it is common knowledge here in this committee that there had been a failure in a number of instances to maintain peace on the west coast, and yet the machinery for maintaining peace is the same now as it has been for years, is it not?

Mr. FITZGERALD. In the Northwestern States of Oregon and Washington, they are right now in the throes of a little controversy between the A. F. of L. and the C. I. O. If the employers insist on running their vessels into that particular zone, it would probably be effective upon the vessels that come in there.

The CHAIRMAN. I want to ask you a very important question. Why do you not get together in one union?

Mr. FITZGERALD. That is what I would like to see more than anything else in this world.

The CHAIRMAN. If it is your union.

Mr. FITZGERALD. Absolutely not. I do not care whose it is so long as it is one union.

The CHAIRMAN. Is there any hope of that?

Mr. FITZGERALD. Absolutely; all the hope in the world for it.

The CHAIRMAN. Is there real progress being made in that direction?

Mr. FITZGERALD. There is.

The CHAIRMAN. Are you speaking of the west coast alone now?

Mr. FITZGERALD. There is a convention in session on the west coast now.

Senator THOMAS of Utah. Is that problem any harder for the different rival unions to get together than it is for the workingmen to get together with the employer?

Mr. FITZGERALD. I do not know whether I can differentiate between those problems or not, Senator.

Senator THOMAS of Utah. How about the respective bitterness? Do you hate another union so much that you actually hate it more than you hate an employer when hate enters into the picture?

Mr. FITZGERALD. I do not believe we are that bitter against each other.

Senator THOMAS of Utah. It is more or less a friendly fight now, then, is it?

Mr. FITZGERALD. That is all it is.

Senator THOMAS of Utah. Is it accomplishing any good?

Mr. FITZGERALD. The fight, you mean?

The CHAIRMAN. Yes; the fight between unions. Is it accomplishing any good?

Mr. FITZGERALD. I do not know. I do not think it is having a very good effect on the unions.

The CHAIRMAN. Is it not a sort of Donnybrook Fair matter? I think it would be a great thing if some way could be found by which to get all these people united.

Senator THOMAS of Utah. Is there any great principle at stake in this fight between the rival unions?

Mr. FITZGERALD. Yes. There is a principle at stake in it. More than anything else, we want more democratic control in the progressive labor movement, which we who represent the progressive labor movement do not think we are given under the A. F. of L. set-up.

Senator THOMAS of Utah. Is it bigger than a matter of personal leadership?

Mr. FITZGERALD. No.

Senator THOMAS of Utah. It is personal leadership, then, that you are thinking about more than anything?

Mr. FITZGERALD. No; not personally. We interpret the rank-and-file leadership not as personal leadership. The right of the rank and file to have something to say in the conduct of their organization has heretofore not been granted them under the old A. F. of L. set-up.

Senator THOMAS of Utah. The fundamental principle of the rank-and-file unions is democratic control?

Mr. FITZGERALD. Democracy.

Senator THOMAS of Utah. By quick referendums?

Mr. FITZGERALD. Well, no.

Senator THOMAS of Utah. How would you express your democratic control?

Mr. FITZGERALD. The free and open discussion of any policy or program affecting the organization, it in turn instructing the leadership under such organization to act for the majority of the membership.

Senator THOMAS of Utah. The instruction, then, comes from below instead of above?

Mr. FITZGERALD. It comes from the majority.

Senator THOMAS of Utah. In the other union do you have the theory of following the leader, without consulting the majority of the members?

Mr. FITZGERALD. You mean in the A. F. of L.?

Senator THOMAS of Utah. Yes.

Mr. FITZGERALD. The A. F. of L. credo usually comes from the top down. In other words, a vast majority has been ruled by a very small minority.

Senator THOMAS of Utah. Since your particular objection is to mediation as it is conducted by the national railway organization—I have forgotten its particular name—

The CHAIRMAN. The Railroad Mediation Board.

Senator THOMAS of Utah. The Railroad Mediation Board. How do they get opinions among the railway laboring men?

Mr. FITZGERALD. How do railway men get their opinion?

Senator THOMAS of Utah. Yes. How do they assert their opinion?

Mr. FITZGERALD. I do not suppose they have very much to say about it.

Senator THOMAS of Utah. Do you think that is a matter of following leaders entirely in the four great brotherhoods?

Mr. FITZGERALD. No. I believe it is merely a case of where they are in subjection due to something that has been imposed on them.

Senator THOMAS of Utah. Do you really believe that?

Mr. FITZGERALD. I certainly do, Senator. There is no use lying about it.

Senator THOMAS of Utah. So far as the four big brotherhoods are concerned, there is no opportunity for the rank and file in those brotherhoods to express their will?

Mr. FITZGERALD. There cannot be when they have this compulsory mediation.

Senator THOMAS of Utah. Has the right to strike been taken away from railway employees?

Mr. FITZGERALD. It has.

Senator THOMAS of Utah. In what way?

Mr. FITZGERALD. By the act itself.

Senator THOMAS of Utah. Since when? What provision of the act takes away from them the right to strike?

Mr. FITZGERALD. All matters concerning the brotherhoods must first be submitted to arbitration, from one board to another, and then it goes on for 2 or 3 or 4 months, and then, of course, it is probably forgotten by that time.

Senator THOMAS of Utah. Has it been successful in accomplishing its purposes for the laboring men?

Mr. FITZGERALD. In my opinion, I do not believe it has.

Senator THOMAS of Utah. You do not think so?

Mr. FITZGERALD. No.

Senator THOMAS of Utah. Has the pay gone up since the act came into existence, and have there been better hours and better working conditions established?

Mr. FITZGERALD. No. I would not commit myself on that, Senator. I do not know.

Senator THOMAS of Utah. Have you better discipline? Is labor better disciplined by its own efforts?

Mr. FITZGERALD. Well, I imagine the discipline is really what it should be.

Senator THOMAS of Utah. That would be one of the aims of your rank and file, ultimately, would it not, to bring about self-discipline?

Mr. FITZGERALD. Absolutely. That is what we are striving for, and that is what we propose to do.

Senator THOMAS of Utah. Another witness, in objecting to mediation provisions in this law, objected to them only for the present. He did not take a stand against mediation as such, but he objected at the present time, while this interunion war is going on, and these interunion difficulties.

Mr. FITZGERALD. I imagine that that witness had in mind some particular type of mediation which the unions will inaugurate themselves after harmony has been established in the labor movement. I imagine that was the reason for his stand.

Senator THOMAS of Utah. You say, though, that your committee, meeting with the employer, has such relations? They surely use the theory of mediation, do they not, in coming to their conclusions?

Mr. FITZGERALD. Yes. But this is so much quicker than mediation action would be. For instance, as I have said, on a couple of occasions under the Railway Labor Act, it has dragged out over a period of time; and then the parties who are concerned in the dispute are disgusted with it, and they lose faith in the whole thing, itself.

Senator THOMAS of Utah. But is there not just as great a weakness in this quick action as there would be in slow action?

Mr. FITZGERALD. I do not think so.

Senator THOMAS of Utah. You do not think so?

Mr. FITZGERALD. No; I do not, Senator. For instance, let me cite an example, in this manner: A vessel comes in today, and there is a dispute, say, about 10 hours' overtime for a certain type of work. The official representing that particular company that operates that vessel disputes that overtime. The patrol man down there, who represents that union, cannot adjudicate it, due to the stand taken by the operator of the vessel; and then it is submitted to the port committee. And then we call a meeting; and within 24 hours the meeting is arranged. We sit down and discuss it, and iron the differences out. And in the event that the dispute is really covered in the agreement signed between the employer and the employees, there is no reason in the world why it cannot be straightened out in 5 or 6 hours before the port committee.

Senator THOMAS of Utah. What if the committee representing the workers loses?

Mr. FITZGERALD. Well, we argue on the merits of the man's claim, you see.

Senator THOMAS of Utah. Yes.

Mr. FITZGERALD. And in our opinion, if we think the man's merits are good, we stand on it; and the employer then has to give us his side. And in the event we cannot agree, then we hand it to a referee.

The CHAIRMAN. How many of those referee cases do you have? What proportion of the number of disputes are those referee cases?

Mr. FITZGERALD. In San Francisco we have only had one, so far, under this particular set-up.

The CHAIRMAN. In how long a time is that?

Mr. FITZGERALD. That is in a year and a half's time now. That was with the steam schooner operators, Mr. Ralph M. Myers. A dispute came up as to the interpretation of a certain clause in the agreement, regarding the setting of sea watches and departure of the vessels on that particular day, and rate of payment of overtime for oiling winches. The union contended one way, and the operators contended the other way; and we arrived at a deadlock on it. So we submitted it to a third party, a Mr. Dickinson, who handed down a decision on it.

The CHAIRMAN. Who was he?

Mr. FITZGERALD. I think he is some professor in one of the universities, or something.

The CHAIRMAN. But not associated with shipping?

Mr. FITZGERALD. No; not associated with shipping or with the union in any way.

The CHAIRMAN. Did you have any difficulty in agreeing upon him?

Mr. FITZGERALD. No; the man seemed to be acceptable to the employer and to the union; and his decision was final and binding, and we went along on that decision. It was handed down in writing by Mr. Dickinson.

Senator THOMAS of Utah. You are pretty well feeling your way, are you not, Mr. Fitzgerald? You realize all these things are more or less experimental, are they not?

Mr. FITZGERALD. As far as port committee set-ups in respect to the marine firemen's organization, it is something new.

Senator THOMAS of Utah. Or are you following some plan that has been tried somewhere else?

Mr. FITZGERALD. No; I do not know of any plan. I heard Harry Lundeborg say he had it in 1921 and 1922, but I did not know it, and we never had it in connection with the marine firemen, as far back as I can remember.

Senator THOMAS of Utah. Do you think you are making progress?

Mr. FITZGERALD. I do; yes.

Senator THOMAS of Utah. Are you making progress for the industry—and by "the industry" I mean the welfare of everyone connected with it. Are you going to make it stronger?

Mr. FITZGERALD. Of course, Senator, I may be of a suspicious nature, and probably do not wholly trust the actions of the ship operators at some times, especially in view of some legislation they would like to have passed.

The CHAIRMAN. Do you think the legislation that has been handed to me to present here, by the different departments, has been set up by the ship operators?

Mr. FITZGERALD. No; but they would like to make an impression upon Congress for the necessity of such legislation, and they have ways and means of doing it. I have come in contact with them, Senator, and I know what they do at times.

Senator THOMAS of Utah. Do you think the Railway Mediation Board was set up at the request of railway operators?

Mr. FITZGERALD. No; I would not say that, Senator. I do not know who was responsible for setting it up. I know why it was set up.

Senator THOMAS of Utah. It has always been interpreted as something for the benefit of railway labor, has it not?

Mr. FITZGERALD. Not always; I do not think so. We have never contended that it was something for the benefit of us.

Senator THOMAS of Utah. That is, now?

Mr. FITZGERALD. Yes; that is now. But it has been the same ever since it has been set up.

Senator THOMAS of Utah. But you did not oppose the setting up of the railway mediation system, did you? Your people were not opposed to that principle, were they, and were you?

Mr. FITZGERALD. We had no right to oppose it, because it did not affect us.

Senator THOMAS of Utah. But you are American citizens.

Mr. FITZGERALD. No; we did not oppose it at the time. Of course, it was something new, and we thought it might have been workable in the interests of the workers. But we have subsequently learned that it is not.

Senator THOMAS of Utah. It was assumed by another witness—and that is why I am asking this question, in order to get the connection with the testimony—that after your organization has become effective and after you are all working, then, of course, there will be a place for mediation on that score, squarely as you have it in the railways.

Mr. FITZGERALD. Not enacted into law. We think we can set up a fair type of mediation between the employer and employees without going to the extent of enacting it into law.

Senator THOMAS of Utah. Do you think you can take care of the public interests?

Mr. FITZGERALD. I think so.

Senator THOMAS of Utah. Then you are in complete disagreement with the mayor of Portland on that, are you?

Mr. FITZGERALD. Of course I disagree with the mayor, Mayor Carson—on a good many of his statements. I should like to cite a little incident wherein I sent six men up to Portland, to relieve a situation that existed up there last fall. I sent the men up there from San Francisco headquarters, just because there was a minor insurrection in my own organization, and the agent up there did not supply the crew to the vessel.

Senator THOMAS of Utah. Would it be hard to show your organization the theory of public interest in these things?

Mr. FITZGERALD. No; I think it would be very easy to instruct them.

Senator THOMAS of Utah. Do your members ever ask you concerning whether certain matters are in the public interest, or do they say "it is our interest?"

Mr. FITZGERALD. It has always been my ambition to instruct the men along the lines of public interest.

Senator THOMAS of Utah. Is that developing?

Mr. FITZGERALD. It is our purpose to instruct the men along such lines, in our membership. Of course, I am vitally interested, myself.

(Following a pause:)

The CHAIRMAN. Is that all now?

Mr. FITZGERALD. That is all I have to say, sir. Thank you.

(Mr. Fitzgerald submitted the following for inclusion in the record:)

STATEMENT MADE BY SAMUEL COHEN, DELEGATE, STEAMSHIP "HOOVER," TO E. F. BURKE, SECRETARY, MARINE COOKS' AND STEWARDS' ASSOCIATION

JANUARY 7, 1938.

Q. When did ship strike rocks?—A. A little after 12 midnight.

Q. Was there any danger?—A. Passengers all on deck, ship resting on beach; nothing to get excited about. Boats were lowered in the morning, taken safely ashore; told to go to bed, and served them coffee; most of crew up all night.

Q. During this time, did you see members drinking?—A. No.

Q. No drinking while crew was on board?—A. No. Not by crew.

Q. Not while passengers were being taken off ship?—A. None at all.

Q. Passengers were landed safely on beach?—A. Yes.

Q. Please make a statement regarding men breaking into bar.—A. Absolutely not true.

Q. E. C. Bitzer made statement, taken from Manila Bulletin of December 16, "Shortly after the *Hoover* struck, members of the crew broke into the bar and into the ship's storeroom, stole liquor and food and blankets as well." What is your statement regarding that?—A. There was no necessity to break into bar and ship's storeroom, as there was plenty aboard, and they were sending stores ashore continually.

Q. Was there any injuries to passengers because of drunkenness.—A. Impossible to land them all without a single injury to any of them if anybody had been drunk.

Q. Regarding the men molesting the women and breaking into their quarters? This applying to stewards' department.—A. This was meant to apply to all departments. There were so many men standing around soaking wet and dead on their feet it was impossible. There was no lighting system and when the last two boatloads came ashore the men wandered up into the camp looking for a place to rest, and naturally opened the first door they came to. The passengers were in one place, not exactly a passengers' room, guarded by one of the ship's officers, and when the men stumbled in there, they were told by the officer where they were supposed to stay. Passengers were the only ones in sheltered quarters.

Q. Were the passengers given sufficient necessities?—A. Passengers were given all the blankets and everything they needed, although they were soaked with fuel oil.

Q. Everything covered with fuel oil?—A. Yes; that is where quite a lot of the food got to.

Q. Please make a statement of all this as far as you are concerned and from your observation.—A. It is absolutely untrue. Three people, Bitzer, Mrs. Wilson, and Mrs. Salmon accountable for most of these statements. Mrs. Wilson and Mrs. Salmon two little old-fashioned women who expected all the comforts of home, and Bitzer a "stuffed shirt." Might have seen some seamen staggering and thought them under the influence of liquor, and if they were singing, all the more credit to them, even though it was Hail, Hail, the Gang's All Here, What the Hell do We Care? It was said seamen cast off all discipline. There was no need for discipline so there was no discipline to cast off.

Q. The stewards' department took care of the passengers on the beach and served them?—A. Yes; but they couldn't serve them because there was only an earthen stove and you could put on only one pot and that was the only stove you could use. The best thing you could get was coffee and hardtack. No facilities to cook meat. Sea very rough; they couldn't get back to the ship, although boats were going to and fro all the time and part of the crew had stayed on the ship.

Q. How long were you on the beach? Rather, how long were the passengers on the beach?—A. Left the third day, on the *McKinley*.

Q. Were all removed on that third day?—A. Yes; with the exception of all of the crew the *Pierce* picked up from the beach on the other side of the island, the lee side, because the sea where the ship was grounded was so heavy, and then transferred them to the *McKinley* in Hong Kong 4 days later. Bitzer made a reference and said: "Crew dismally failed to live up to the traditions of the sea, and acted like a panic-stricken mob, and were more of a hindrance than a help in the work of abandoning ship." He should be asked how he got ashore in one piece with all his baggage.

Q. How much baggage did the crew get?—A. About 35 percent of the crew got their baggage ashore.

Q. How many men of our department were left on board?—A. Left 13.

Q. Voluntary crew?—A. Yes.

Q. The chief steward was left?—A. No.

Q. A cook was left?—A. One of the crew cooks was left. Bitzer made a statement: "Once ashore the crew was entirely insubordinate, while the passengers of the *Hoover* were forced to subsist on scanty food, one meal a day in the case of many, the crew ate the best of food from the stores of the ship, slept in comfort under blankets and consoled themselves with plenty of liquor."

There was nothing to be insubordinate about. As many as possible were trying to cook meals. We had one meal a day. Some men worked from 12 to 18 hours a day. The crew ate the best of food, that is, what was left after the passengers had eaten, as any that came ashore was given to them (the passengers) and when they were through the crew got what was left. The passengers slept in comfort while the crew slept on cement on board floors on porches.

Q. Raining down there then?—A. Yes.

Plenty of liquor was consumed by passengers. The physician was kept busy all night with passengers being drunk. There is a list of 12 passengers that were drunk all the time they were on the island. Of all the people who made the complaints none were what you could call really reliable people. Of those who would really count, were four people: Mr. Hugo Miller, of Manila, Mr. William Zeitlen, stock broker in Manila, Mr. Beck, department store owner in Manila, and Mrs. Beck.

All disputed statements that were made by the complaining passengers. Said they did not see any drunkenness among the crew and under the circumstances they seemed to think they were treated as best as they could possibly be treated.

Subscribed and sworn to before me this 13th day of January, 1938.

[SEAL]

ANNE F. HASLY,
Notary Public.

My commission expires October 8, 1939.

SAM COHN.
FRANK BEERS.

STATEMENT OF JACK LAWRENSON, MEMBER OF THE EXECUTIVE DISTRICT COMMITTEE, NATIONAL MARITIME UNION; CHAIRMAN OF THE NEGOTIATIONS COMMITTEE FOR THE NATIONAL MARITIME UNION, NEW YORK, N. Y.

The CHAIRMAN. Mr. Chairman, there is a gentleman here who wants to testify, because he has to get back to New York.

Senator THOMAS of Utah. Please give your name and address and what you represent.

Mr. LAWRENSON. My name is Jack Lawrenson, member of the executive district committee of the National Maritime Union, chairman of the negotiations committee for the National Maritime Union.

Mr. Chairman and gentlemen of the committee, speaking for my own organization and for maritime workers generally, I think we have to approach this problem fundamentally from the viewpoint of considering just where do the trade-unions stand in labor relations with trade in industry. I think our approach must be based on the experience of other nations.

The CHAIRMAN. Are you an American?

Mr. LAWRENSON. No; I am Irish—an American citizen.

The CHAIRMAN. Are you an American citizen?

Mr. LAWRENSON. Yes.

Senator THOMAS of Utah. You were born in Ireland?

Mr. LAWRENSON. Yes; I was born in Ireland.

As outstanding examples, we have Australasia, including both Australia and New Zealand, and in particular we have the Scandinavian countries, where trade-unions have been accepted for countless years and have played a major role in the stabilization of industries, where the trade-unions have been free from governmental interference and, of their own accord, have helped and have established peaceful relations in industry. I think the same thing can be established in the United States, provided, of course, that the employers in all the industries accept this point of view, which is a civilized point of view and one which sooner or later practically every country in the world will be forced to adopt.

In the maritime industry in particular, organization of sentiment has been growing among American workers for the past 20 years. The International Seamen's Union prior to 1921 had considerable

strength. At that time the American merchant marine was operating and owned by the United States Government, through the United States Shipping Board. The relationship established there was quite peaceful; good conditions were obtained, and fairly decent wages. This relationship continued up until the 1921 strike, and following that depression.

Then came a long period of hard years, that we seamen refer to, when wages went down to as low as \$30 a month, and with numerous instances where the companies were paying nothing, where men were being carried simply for their food—and rotten food, at that—and were being signed on as “workaways,” and then were being hired through disreputable places, and no attention was paid. Maritime conditions generally were ignored, both by the Government and by the public themselves, and the public was never aroused in the interests of the industry.

Following the N. R. A., the interest in the industry revived. Unfortunately, the International Seamen’s Union had considerable strength along the Atlantic and Gulf coasts, and through the N. R. A. and dealings with the shipowners, in which the seamen had no interest whatever, they, the International Seamen’s Union, were chosen as the official spokesmen for the seamen.

The sponsors of this bill claim that mediation is required because of the unrest in the industry and the many instances of bad discipline and instances of insubordination, and the numerous strikes. But apparently no thought has been given to the causes for these strikes and the reasons why they came about, in the first place. Those conditions responsible for the strikes were primarily intolerable conditions, conditions that were fostered and kept in existence by men who undoubtedly were unscrupulous, who were proven by the Black committee to be plundering the United States Treasury to the tune of millions of dollars, and who were not operating the ships in the interests of the American merchant marine. Today, these same men are asking that this legislation be passed.

The CHAIRMAN. What men are asking that the legislation be passed?

Mr. LAWRENSEN. The shipping companies, I presume.

The CHAIRMAN. Is this bill originated by the shipping companies?

Mr. LAWRENSEN. I do not presume so; but I know that the shipping companies are very much interested in it, and are asking that it be passed.

The CHAIRMAN. Not many of them.

Mr. LAWRENSEN. Those who have appeared here have.

The CHAIRMAN. Many of them were against it. So far as I know, this legislation is not favored by the shipping companies, unless the Maritime Commission is the agent of the shipowners. Is it?

Mr. LAWRENSEN. We do not feel so; we feel that the shipowners have testified and asked for the passage of the mediation clauses in this bill.

The CHAIRMAN. You are speaking of that?

Mr. LAWRENSEN. Particularly as it affects maritime conditions.

The CHAIRMAN. How about the other phases of the bill?

Mr. LAWRENSEN. Agreements were signed by the International Seamen’s Union on the assumption that they were the spokesman for the vast majority of the seamen along the Atlantic and Gulf coasts—

agreements which were not written by the seamen and did not improve working and living conditions, and hardly improved wages, or, rather, raised them very little. The members of the unions, feeling they were not getting a just deal, consequently had to strike back. And it is interesting to note that the shipping companies entered into these agreements knowingly, and knowing that the seamen had little or no voice regarding them. No answers were given, and consequently the strikes in 1936 and 1937.

Since that time the men have set up their own organization, along the Atlantic and Gulf, namely the National Maritime Union. This union is now legally constituted, and the men have adopted their own constitution, on the largest referendum ever conducted among maritime workers, to the tune of nearly 25,000 votes in the 2-months' referendum. The union officials are now in the process of being elected by that same referendum, too.

This union is now in the process of signing various agreements with the various shipping companies. The union is committed to the point of view that the industry needs stabilization, and is also committed to the view that the workers in the industry have just as much at stake as the operators of the ships, and also that the workers have something coming to them—decent standards of living and working, comparable to what it costs to live.

Comparisons have been made here between wages paid on American ships and those paid on foreign vessels. As a sailor who has sailed on the merchant ships of two nations, I can testify that the difference is very little. On Dutch ships the wage differential, even now, is very little. The Dutch seamen's wages, in terms of living costs, are even higher than those of American seamen. It has been said that wages are even higher on Australian ships, and living conditions much superior.

British ships have been held up as examples of lower wages. It has also been asked, "Why are not these decent working conditions provided by law?"

British vessels have always carried almost double the number of men in their crews. American seamen are forced to work when the rules of other nations forbid it; men come on the night watches, after day work. The foreign seamen are forbidden to work, with the exception of standing wheel watches and taking care of the safe operation of the ships.

In the American ships, these things relating to safety and to the proper handling and operation of the ships have been ignored, and the men have been abused and forced to work at night; and lookouts have not been set. These abuses have continued; and the American seamen have, through their union, come into the picture—led by seamen and made up of seamen who are sincere in their efforts to stabilize the industry on a basis of a mutual understanding between the ship operators and the unions themselves. We feel this can be accomplished.

In the unions of today there are no charlatans, there are no professional mountebanks or professional labor leaders. They are men whose lives are definitely woven into the industry and who want to stabilize it, and who can do that if they are left alone.

In the record thus far a great deal has been said about the National Maritime Union and its alleged communistic leadership. Statements

have been made that the men in the National Maritime Union are not seamen. Joseph Curran has been a seaman for nearly 16 years, active on American vessels. Joseph Myers has been an active seaman for the same length of time. Frank Jones, of the stewards' division, has been at sea 4 years; Moe Byne has been a member of the union for 20 years; Gelthwin Ryan has been at sea nearly 20 years; and Ralph Evans has been going to sea since 1921, actively up until a year and a half ago.

Senator THOMAS of Utah. Have you always served on the American merchant ships?

Mr. LAWRENSON. Since 1924. Prior to that time I served in the British merchant service.

Those are the men in the leadership of the new National Maritime Union.

Senator THOMAS of Utah. Are any of these men Communists?

Mr. LAWRENSON. Not that we know of. Our Constitution guarantees political and religious freedom. We are not the slightest bit concerned with the political or religious beliefs of any of our members. All we ask is that they be members of the industry to which the union belongs; that entitles them to membership in our organization.

Some statements have been made in the record from time to time regarding the lack of discipline on the ships. Criticism has been made of the rotary system of shipping men, and a tremendous amount of misstatement and misunderstanding has been entertained here as to just what the rotary system stands for in the union halls. Nothing has been said of the background and of the former systems, of the way the shipowners for countless years have been hiring their people; nothing has been said of the fact that for years and years no effort has been made to give some sort of proper conditions in the places where seamen are hired. Practically all the shipping companies used one person as an employment manager.

Senator THOMAS of Utah. Before you leave that subject, let me ask you if you have heard the testimony regarding the eighty-odd changes on one boat.

Mr. LAWRENSON. Yes.

Senator THOMAS of Utah. Is that possible under the rules of the hiring halls?

Mr. LAWRENSON. The seaman is free to leave his employment when articles are terminated, or on coastwise voyages when the ship touches one American point from another. That is the law. The reason why the turn-over is so large is not that the seamen wish to quit their jobs; but conditions are so bad on vessels that sometimes you ship in a hurry, and the ship sails, and you are only too glad to leave at the first port touched in the United States. On foreign voyages, perforce you must make the round-trip voyage.

Senator THOMAS of Utah. Do you know about the case where the testimony was given about the eighty-odd changes in the crew?

Mr. LAWRENSON. Dealing with what, sir?

Senator THOMAS of Utah. Dealing with approximately 80 changes between ports.

Mr. LAWRENSON. I know nothing about that.

To continue with the subject of the method of the shipowners for hiring: They had private employment agencies, who in most cases

were in league with "crimps" and boarding-house masters. The usual method was to force a seaman to pay 2 weeks' room rent. And then, when 1 or 2 days were up, he was shipped out on the vessel, and the boarding-house master kept the rest, despite the fact that hundreds of men were waiting outside—frequently in wintertime—waiting for jobs. In the South they did not maintain these themselves; they went to "crimp joints" again, and houses of ill repute, and picked up any person on the waterfront; they were not the slightest bit concerned whether the men were competent or not, whether the men were good and loyal employees. This was the method they used of manning the ships for years, and nothing was done about it. It is the unions who have corrected these conditions; it is the unions who make certain that competent seamen get aboard the ships today.

In the negotiations, it has been stated here that the unions have attempted to break down the loyalty between the employee and the employer, on shipboard. As chairman of the negotiations committee, I believe I am in a position to discuss that point. We have urged on the American Shipowners' Association: "If you wish seamen to remain in your employ constantly, the employment with your company has to be made sufficiently attractive, as it is in other companies in shore industries." We have urged them to establish the vacation principle, yearly, with pay, where a man, instead of spending 24 hours a day on the vessel, year after year, month after month, after 2 years of service may be given 2 weeks' vacation with full pay. And in this way you are certain of men remaining on the ships for a long time; and the turn-over in labor is cut down. We have urged this on most of the companies, but thus far it has not been agreed to, with the exception of the Black Diamond agreement.

We have also urged that other things be done for the crews on the ships, in order that the men may stay in employment. If the unions are urging these things to the shipowners and have met with no response, then where in the record can it be alleged with truth that the unions are endeavoring to break down the loyalty between the employers and employees?

In this connection, we have the agreement with the Black Diamond Lines and also the agreement with the Standard Oil Co. of New Jersey, enabling approximately 16,000 men to have wage increases up to \$5 a month for all of the unlicensed personnel. The agreement with the Standard Oil Co. of New Jersey has exactly the same arbitration clause which the Black Diamond agreement has, allows for the settlement of disputes in peaceful and amicable fashion, and establishes a 3 weeks' vacation with full pay, annually, for every seaman who remains in the employ of the company. Does that record make it appear that the unions are trying to disrupt the operations of the company and to break down the loyalty existing between the company and the seamen who stay with the vessel?

Our agreements speak for themselves. We feel that if a chance is given for the signing of these agreements, then peaceful relationships between the two groups can and will be established.

Senator THOMAS of Utah. That is your chief reason for being opposed to the mediation part of the bill, is it?

Mr. LAWRENSEN. Chiefly. Because we believe this is more workable.

Senator THOMAS of Utah. You want to see if the experiments you are trying will work?

Mr. LAWRENSEN. That, and because it is more in the American spirit of things.

Senator THOMAS of Utah. Did you have trouble in getting these agreements brought into force?

Mr. LAWRENSEN. The negotiations extended over a period of 2 months, with the tanker companies.

Senator THOMAS of Utah. Who negotiated for you? Did your own representatives negotiate for you?

Mr. LAWRENSEN. Myself, together with two others, negotiated for the unions.

The CHAIRMAN. Who were the others?

Mr. LAWRENSEN. One from the deck and one from the stewards' department.

The CHAIRMAN. Who were the other two?

Mr. LAWRENSEN. Lewis A. Anderson and Mr. Lawrence.

Senator THOMAS of Utah. You did not call on a third party to take care of your interests?

Mr. LAWRENSEN. We did not require a third party; the agreement was directly between the union and the ship operators.

Senator THOMAS of Utah. Who represented the operators?

Mr. LAWRENSEN. Captain Gavott, for the Mallory Lines; Captain Mathieson, for the Pennsylvania Shipping Co.; Mr. Esselborn, Mr. Bennett, and Captain Gidderoy, for the Standard Oil Co. of New Jersey; Mr. Jones, for the Gulf Oil Corporation, and Mr. Shaw and Mr. Pierce acted as chairman of the tanker group during the negotiations.

Senator THOMAS of Utah. Were these men from outside interests?

Mr. LAWRENSEN. All directly connected with the companies. They were company negotiators, negotiating the agreements.

Senator THOMAS of Utah. No third parties?

Mr. LAWRENSEN. No third parties whatsoever.

The agreements provide for negotiation and for the amicable settlement of disputes, and that agreement goes into effect April 1 and expires April 1, 1939. The same society is brought into play where a seventh member is required.

Mr. Teague, president of the Standard Oil Co. of New Jersey, said he felt certain that because the agreement adjusted all the basic grievances of the seamen, which he agreed had existed for some years past, that a new era of relationship and peaceful work was about to begin in the tankers. And the traffic with the tankers is by far larger than the passenger and freight traffic.

Senator THOMAS of Utah. Do your men feel equally good, over that development?

Mr. LAWRENSEN. Of course. I might say again that we arranged for the final vote. It has been stated or insinuated here, time after time, that the agreements might not be lived up with. Our method is not to sign agreements and to cram them down the men's throats. The oil companies do not want that, either. This agreement is to be voted on by the men in the tanker companies; it is to be considered 3 weeks, and then voted on by secret ballot, by the companies and the unions, as to whether or not they will accept or reject. Because of the fact that it adjusts all their grievances, we feel sure they will accept.

Senator THOMAS of Utah. How long will that take?

Mr. LAWRENSEN. Three weeks to discuss it, and then the voting will begin. And when they vote to accept, in effect, that is a personal pledge to carry out the agreement to the letter, for the year to come.

It has been said that the hiring-hall system restricts men from going to sea. We make full provision for school-ship graduates and men from the Navy; they can enter the union without any trouble whatsoever. On the other hand, it has been said, too, that the unions ship the scum, that the unions are not concerned with shipping competent seamen, that we pick up the scum of the waterfronts and send them on the vessels—youngsters, and that sort of thing. At the same time, Mr. Chairman and gentlemen, in our agreement where we have the clause stating that the steamship companies shall not carry work aways in any of the vessels, the companies are usually insistent on having the right of carrying work aways—people working for nothing and being given transportation. The union was insisting that people in any industry at least be absorbed to the exclusion of people coming in, but not to the exclusion of school-ship graduates or naval men, who have a legitimate right to come into the maritime industry.

As to the hiring system itself, the men elect their own dispatcher. Instead of going to "crimp joints" and instead of paying the penalty for the right of going to work, they now run their own halls. Their names are called out, when they come to the top of the list. But always the representative of the company has the right to reject any individual who is not acceptable—on legitimate grounds, of course. They are not forced to take the people we send. But it keeps the seamen from going in these houses of ill repute; it keeps them with a sense of self-respect. And gradually the profession as a whole is being improved. A good many of us are proud of the profession and are trying desperately to break down the popular conception that the seamen are irresponsible people. The seamen are not irresponsible people at all. And the union is playing a tremendously important role in this respect. We feel that if given the proper opportunity, and if the shipowners would cooperate and recognize the fact that trade unions have come to stay in America, and that trade unions have a definite part in any industry and can play a major role in stabilizing that industry, then we are certain that we can have peace and can have voluntary mediation in any group without the necessity of governmental interference.

As to the mediation clause itself: Based on these points that I have related, we feel that mediation clauses in the bill are completely unnecessary. We have pointed out that mostly it has been the shipowners' fault that unrest has existed in the industry over the past 12 or 14 years, because of the abuses.

Senator THOMAS of Utah. That would hardly hold, if Mr. Fitzgerald's testimony is correct.

Mr. LAWRENSEN. How is that?

Senator THOMAS of Utah. As to rivalry between unions.

Mr. LAWRENSEN. There is no rivalry, so far as we are concerned. As I say, we distrust the International Seamen's Union because its leadership was venal and at no time attempted to forward the program of benefits to the members of the industry or to consult the wishes of the members; but on the other hand, the officials of the

International Seamen's Union did work in connection with the ship-owners; and such an organization could not last.

An organization that is built on the conscientiousness and willingness of the members is going to last. It is evident that the National Maritime Union represents the vast majority of the workers in the maritime industry along the Atlantic and Gulf coasts, at least. The National Maritime Union is committed to unity of all maritime workers. We recognize that where different unions exist, this creates an undesirable situation. We are out to correct such a situation, and we are making great strides in that direction. We have 50,000 members along the Atlantic and Gulf coasts and have a vast majority. Our organization drive on the Great Lakes is almost complete, and we represent the great majority of the seamen on the Great Lakes. At the present time there is a convention going on at San Francisco, out of which convention should come agreements on national policy, such as agreements and meetings with shipowners and agreements to prevent union rivalry, as it has been put here. There is no rivalry so far as the programs are concerned with the shipowners. This talk with respect to the ambition of the leaders, in my opinion, has no weight. That talk was brought forward by the mayor of Portland and others. I think it is merely a smoke screen thrown out in an attempt to create in the minds of the members of this committee the impression that the leaders of the union are not responsible, and that the union's leaders hate each other and are out to out-best each other and keep the industry in turmoil. This is not true.

Senator THOMAS of Utah. Your outlook is quite optimistic, is it?

Mr. LAWRENSON. Based on evidence, and on the facts alone. I think we have related here precisely what we have accomplished thus far. Most of the obstacles that obstructed our path in the past years have been removed. We are now definitely entering a phase of progress where the major shipping companies have recognized us and where we are entering into our agreements. The Black Diamond agreement is one. Mr. Sudman, the president of the company, has stated for the record that perfect relationship and agreement have been reached.

I have here a copy of a letter sent to Senator Copeland by Vito Marcantonio; and without reading it, I should like to have it recorded.

Senator THOMAS of Utah. Is it in connection with your testimony?

Mr. LAWRENSON. In connection with this mediation program.

Senator THOMAS of Utah. Very well.

(The letter referred to is as follows:)

JANUARY 18, 1938.

Hon. ROYAL S. COPELAND,

United States Senator, Senate Office Building, Washington, D. C.

DEAR SIR: I find myself obliged, both in the name of our organization and personally, to enter the most vigorous protest against the barrage of anonymous charges against the American maritime workers and their unions which has been released by you to the press.

The charges, as published in the press, are palpably untrue as a whole, and can be considered only as an attack with the ulterior purpose of building up public sentiment in favor of antiunion legislation which you are proposing, specifically against the seamen, and more generally against the labor movement as a whole. Even failing of this unworthy purpose, it must of necessity by its very nature and anonymity have a most harmful effect upon the merchant marine of the United States by falsely destroying public confidence in our ships and the men who sail them. It is of a piece with the now notorious frame-up

of the crew of the steamship *Alpic*, generally conceded to have been concocted as propaganda for your legislation.

In the name of 275,000 members over the United States, the International Labor Defense calls on you to retract these charges, or else to remove their anonymity, and call the seamen involved and their witnesses to answer them.

We can only brand your release of this anonymous material as a cowardly and unfair propaganda move, and we are calling upon the labor movement of the United States and all progressive forces to repudiate this propaganda, and, together with it, all those Congressmen and Senators who support these actions of your Committee on Commerce and your antiunion maritime legislation.

Very truly yours,

VITO MARCANTONIO.

Mr. LAWRENSON. Also, I should like to have incorporated in the record the protest of American seamen who protest the enactment of S. 1710 into law. This is signed by an entire ship's crew, duly signed and submitted by them.

Senator THOMAS of Utah. They mean the bill as it is now written?

Mr. LAWRENSON. Yes; as it is now written.

Senator THOMAS of Utah. Very well.

(The signed protest referred to is as follows:)

NATIONAL MARITIME UNION OF AMERICA,
COOKS AND STEWARDS DIVISION,
New York, N. Y., January 12, 1937.

As American seamen we hereby protest the enactment of S. 1710, as submitted through S. 3078, into law.

G. Schindel, F. Turallas, M. Diaz, E. Solomon, E. Long, C. Jones, F. Maristany, J. Cremona, C. Ortiz, M. Leon, E. Bergerhoff, J. Ferre, C. Arango, M. Schleiter, A. Menendez, V. Alcubilla, A. Williams, W. Carter, F. Plaza, A. Noreiaga, C. Randolph, J. Wilson, N. Steen, E. Escudin, E. Eskildsen, C. Delcano, R. Peske, M. Balda, A. Johnson, R. Berkle, C. Fellin, R. Floyd, H. Balcer, R. Williams, J. Ruegg, A. Eklund, L. Reiter, W. Nicholson, A. Brihan, M. Verbracken, F. Baecker, H. Koch, G. Gonzalez, George Hook, John Puckhaber, Jr., F. A. Moran, H. MacDonald, F. Woods, V. Lopez, Angel A. Soto, Frank Garcia, M. Borch, Pedro Sosa, E. Senra, Fred Jiske, J. Murray, M. McCrodden, Albert Baks, Charles F. Davis, G. Pergoli, R. Trompet, C. Van Ess, H. Harrison, W. E. Munding, Jos. Hayn, A. R. Chacon, Frank FitzGerald, R. Escoda, E. Gordon, J. Dunnigan, Grange Neary, G. Kinard, H. Van Damme, Alfred P. Neilson, Francisco Lopez, Wm. Meltsner, M. Araya, J. Horine, L. Rabino-witz, R. Brown, Frederick J. Rotchford, Ralph Sommers, Edward Young, Jack Uccardi, Elizabeth C. Allen, M. Lobb, C. De-Grond, Macuaga, T. Doyle, T. Diaz, G. Robinson, G. Menendez, H. Zabala, M. Arrelliga, Ambrio Rei, C. Almerito, L. Zabala, L. Stowe, Anne Esswein, L. Thomas, Jose Fernandez, E. Taylor, J. Oliver, R. Jackson, Jose Ullalde, Albert J. de Freitas, Patricio Blasco, C. Brooks, M. Ful, A. Henrick, O. Dunhaupt, R. Middleton, Richard de Rosa, Harry C. Welter, Frank Blandin, Timothy Bogart, Wm. Schapert, Jr., Rafael Gavilan, J. Hamash, C. Doyle, H. Lloyd, R. Lacinski, J. Ornellas.

NATIONAL MARITIME UNION OF AMERICA,
DECK DEPARTMENT,
New York, N. Y., January 12, 1937.

As American seamen we hereby protest the enactment of S. 1710 as submitted through S. 3078 into law.

A. Nelson, Samuel Wilson, A. Kerr, C. Brooks, L. P. Murray, E. Abella, T. Benjamin, M. Barclo, O. M. Oake, H. Jones, L. Hernandez, P. Mazziotto, P. Peterson, B. Deutscher, M. Houles, Wm. Bernhardt, R. McLaughlin, C. Berger, G. A. Taylor, O. A. Blenman, L. Haskell, C. Godfrey, W. Roden, A. Walker, G. Marchell, T. McNichols, H. Benkus, E. Japngle, F. Britt, C. A. Cohen, F. Ramas, A. Houles, C. Henry, H. Martyn, J. P. Diaz, A. Delgado, C. Rivera, F. Smith, L. Gately, A. Ebra, S. Grant.

NATIONAL MARITIME UNION OF AMERICA,
ENGINE DEPARTMENT,
New York, N. Y., January 12, 1937.

As American seamen we hereby protest the enactment of S. 1710 as submitted through S. 3078 into law.

E. J. Tierney, A. J. Dowling, R. H. Grube, C. Gates, C. W. Beau, Daniel Nirivus, Domingo Camano, Donato Varela, Louis Carreira, Al White, Wylie Floyd, Carl Tao, Win Holmes, Edmund W. Tisdale, John Ergueagor, Alfred Gordillo, Harvey Bascon, Monell Cudom, J. Bugnoris.

The CHAIRMAN. Is there any communism on the ships?

Mr. LAWRENSEN. If there is communism on the ships, I do not know about it. I have been a seaman for a long, long time, and I have seen no evidence of communism on the ships.

Senator THOMAS of Utah. What would become of your union if the principle of communism should get control of our country?

Mr. LAWRENSEN. Our union constitution forbids communism and communistic principles as such.

Senator THOMAS of Utah. What would become of your union, under a communistic situation?

Mr. LAWRENSEN. I am not familiar with that situation sufficiently to discuss that, sir.

The CHAIRMAN. You are not a Communist, yourself?

Mr. LAWRENSEN. No. I have been labeled as such; of course I am familiar with that.

Also, the record thus far makes much ado about these ship committees, and in some instances the statements have gone so far, I believe, as to call them soviets.

The CHAIRMAN. The group was called soviet.

Mr. LAWRENSEN. Nothing in our union contracts—and seamen, wherever they are, know this is true—in any way interferes or curtails the authority of the master of a vessel or in any way curtails or obstructs or interferes with the present navigation laws. The agreement simply covers wages, hours, living conditions, the types of work that men do; and that is all.

The CHAIRMAN. Would you approve of a sit-down strike on a ship?

Mr. LAWRENSEN. A sit-down strike at what point?

The CHAIRMAN. Anywhere.

Mr. LAWRENSEN. Under our agreements, no; we disapprove of it, highly.

The CHAIRMAN. Would you, yourself, approve of a sit-down strike?

Mr. LAWRENSEN. Under certain conditions? There have been glaring examples. And it should be made very plain that the unions as a whole have made every effort to cooperate with the shipowners, even where no agreements have existed. In the past year, prior to certification by the Labor Relations Board, the shipowners patently recognized us, because we represented the majority of the members of the crew. Nevertheless, there were many verbal agreements—not written—about working conditions, and so on. In many instances these verbal agreements were broken and abused by the ship operators, and in many instances where we attempted to adjust these things peaceably, the shipowners refused to do anything about it.

With the strike weapon, the seamen adjusted those differences. But with the signed agreement, then the sit-down strikes or walk-out strikes are out of existence.

The CHAIRMAN. Then, until all the lines have these agreements, there is the danger of sit-down strikes?

Mr. LAWRENSON. No; because we have discouraged them a great deal among our members.

The CHAIRMAN. You speak about your loyalty to the navigation laws?

Mr. LAWRENSON. Yes.

The CHAIRMAN. And the rights of the master?

Mr. LAWRENSON. Yes.

The CHAIRMAN. Can you conceive of a situation where, in the face of some ruling by the master, you would indulge in a sit-down strike?

Mr. LAWRENSON. At sea or in port?

The CHAIRMAN. On the ship, at sea or in port.

Mr. LAWRENSON. At sea, never, under any considerations; and no seamen do those things.

The CHAIRMAN. Do you think it would be justified in port?

Mr. LAWRENSON. In port, with the ship off articles, from the legal point of view, the seamen on that ship have a perfect right to strike.

The CHAIRMAN. While they are on the ship?

Mr. LAWRENSON. Yes; when they are off articles. The seamen have that right by law; there is nothing in the law that can take it away from them, the same as any other citizen.

The CHAIRMAN. Are you taking advantage of the technicality of the law there?

Mr. LAWRENSON. Absolutely not. Where the shipowners indicate their willingness to cooperate, and the rightful grievances of the seamen are adjusted, the National Maritime Union is perfectly willing to work with the shipowners.

The CHAIRMAN. The seamen have the right to leave the ship. But do you think the seamen would have the right to indulge in a sit-down strike on the deck of the ship, even though the ship were in safe port?

Mr. LAWRENSON. Are you asking my opinion?

The CHAIRMAN. Yes.

Mr. LAWRENSON. If to adjust a basic grievance, and if the ship were in an American port, and the crew were off ship articles, then they are just workers, the same as longshoremen; and if they have a basic grievance to adjust, and the shipowner will not adjust it, and the grievance is just, then I say they have a right.

The CHAIRMAN. Assuming that all the seamen have signed the articles and the ship is in a safe port?

Mr. LAWRENSON. Then we do not condone a sit-down strike.

The CHAIRMAN. Even if they are under articles, you do not condone sit-down strikes?

Mr. LAWRENSON. Yes; then we do not condone sit-down strikes.

One point that deserves a little attention, I think, is this: As I explained, there is nothing that the union wants to do in any way to abrogate the authority of the master or to obstruct the navigation laws. The agreement simply covers the situation which should be taken care of in any industry. In the event of an emergency, the agreement goes by the board; seamen know what they must do in an emergency.

But no matter how plainly an agreement is written, where you have a large number of men working under that agreement, under certain superior officers, misunderstandings may arise. A man down below may be told to do something which he feels belongs to some other rating. This is where the ship's committee or the elected delegate can take up the matter with the chief engineer or the mate or the steward, and settle the matter right there, peacefully. Ship operators have agreed that the ship's committee or delegate has an opportunity in helping interpret the agreement, where it is signed, and in helping it work smoothly, but not by any stretch of the imagination to interfere with the authority of the master or to create a situation which could in any way be construed as a mutinous or insubordinate situation.

The CHAIRMAN. I should like to ask about what you consider a form of sit-down strike: Suppose the steam was turned off by the engineers, and word was sent to the captain that unless he did so and so, the ship should not proceed. In the absence of a direct order from the captain, would those men have a right to do that?

Mr. LAWRENSON. The crew to send an order to the captain to do something?

The CHAIRMAN. Yes.

Mr. LAWRENSON. No.

The CHAIRMAN. The crew, of course, has, under the articles, an obligation to do certain things; they have certain set duties. But suppose the master, through any weakness or other, fails to give the order. Would there be an advantage taken of the master, under those circumstances, because he had not actually issued an order?

Mr. LAWRENSON. The master's orders are carried through by the people under him.

The CHAIRMAN. That is right, of course. But now he does not give a direct order; but these members of the crew have certain functions to perform?

Mr. LAWRENSON. What situation are you dealing with, Senator Copeland? If you would be more specific, I could answer more clearly.

The CHAIRMAN. Well, let us speak of the case of the *Atlantic*, where the steam was cut off and where these members of the crew did not function. They left the boat tied up. And the captain gave no specific order to do certain things. The crew took advantage of that; and as a matter of fact, when the case came to be tried by the Steamboat Inspection Service, it was determined that in the absence of a specific order from the captain, then, so far as the law was concerned, there would be no obligation, and the crew escaped any penalty.

Now, do you or do you not recognize that if you sign articles, and members of the crew have certain well-defined and well-understood functions to perform, would they be violating the law, or is it contrary to the spirit of your union, if they failed to function under those circumstances?

Mr. LAWRENSON. On the contrary, in my opinion they would be violating all laws if they carried out certain functions without the authority or order of the master. In my opinion that crew was perfectly right; because from the other point of view, if they carried through certain work, where an accident may have happened,

or something had gone wrong, the captain could easily say, "I gave no orders," and he could then term the crew's action as mutinous.

The CHAIRMAN. But in this case he did not give an order, and therefore there was an "out" for the men who violated the spirit of the sea, if not of the land.

Mr. LAWRENSON. I think the captain was at fault in not giving such an order.

The CHAIRMAN. You feel that because he did not give an order, therefore the crew did its duty?

Mr. LAWRENSON. Speaking as a seamen, I would say yes. Because the captain could easily have transmitted his orders to the various departments; and these orders, transmitted to the crew, are legal and binding upon the ship's personnel. If the captain did not do that, he was committing a grave error of judgment, and the blame rested entirely upon him.

One other item I should like to present to you, if I may: For the sake of getting a clear and round picture of this whole maritime labor situation, there is one factor that I think this committee, if I may suggest so, might take into consideration: Many of these companies, since the rise of organized maritime labor, have taken upon themselves to have specialists in this field—men who are presumed to know the maritime labor situation. They have hired people to do nothing else but have contact with the maritime labor employed on the ships—labor relations people employed by the Black Diamond and the Standard Oil companies, I believe. These people have expressed a wish to come here and testify as to their side of the picture, as to the labor situation in the whole maritime industry. And I should like to suggest that these men be invited to come here, and then you will have a rounded picture of the situation.

The CHAIRMAN. Who are these men?

Mr. LAWRENSON. One man, in particular, works directly from Mr. Teague's office, for the Standard Oil Co. of New Jersey.

The CHAIRMAN. As a labor relations man?

Mr. LAWRENSON. Yes; as "labor relations personnel," I think you might say.

The CHAIRMAN. What information can he bring us?

Mr. LAWRENSON. He knows the situation from the company's point of view and from the labor point of view; because that is his job. And the same thing exists in the case of Mr. Fitzgerald, for the Black Diamond Co.

The CHAIRMAN. How could we get them?

Mr. LAWRENSON. Address them in care of the ship offices. And they have expressed their willingness to come here and testify.

Senator THOMAS of Utah. How long have they had these labor men?

Mr. LAWRENSON. Several months, I believe.

Senator THOMAS of Utah. It is new, is it?

Mr. LAWRENSON. Well, the companies are now beginning to see their usefulness, and the unlicensed personnel on the vessels have approved them.

The CHAIRMAN. You are generous; we have been told that the owners are so wicked that we should not deal with them.

Mr. LAWRENSON. They are gradually repenting.

I should like to suggest that you have the benefit of the testimony of Mr. Fitzgerald, of the Black Diamond Co., 35 Broadway, New York City; and Mr. Hoyt Haddock, of the Standard Oil Co. of New Jersey, 30 Rockefeller Plaza, New York City.

Senator THOMAS of Utah. These labor relations men represent an idea that is working well with the unions, too, is it?

Mr. LAWRENSON. Well, the labor-relations man is the go-between, between the company itself and the unions, in the case of most of the problems that may or may not arise. This is a new slant, and these men are familiar with both sides of the picture, not only from the point of view of the unions, particularly, but from the point of view of the men who actually work on the vessels.

The CHAIRMAN. What would be the benefit of their testimony? Would they tell us how it is working out?

Mr. LAWRENSON. Well, I believe they know a great deal of the mediation system which we have set up voluntarily with the companies. It is their job to know about it, and I believe their testimony will be of value to the members of this committee.

The CHAIRMAN. Very well.

Mr. LAWRENSON. I have been reminded that some misapprehension exists, yet, in the committee, regarding the rotary system, and that perhaps the committee has the mistaken impression that the rotary system means that the union desires to take men from the ships and to place other people in their places. Is that clear, now?

The CHAIRMAN. I understand that perfectly now, because I was straightened out yesterday on that subject.

Mr. LAWRENSON. Again, I wish to reiterate the fact that it is the unions who are urging this vacation principle based on the 12 months' service.

The CHAIRMAN. Senator, that means this: Here is a man who may be called a regular employee of a line; and instead of being "put on the beach," as the expression is, to take his chance for the future—instead, if he wants a vacation, he takes a vacation for a trip, and the union supplies some man in his place until the vacation is ended; and then the original man goes back. Is that right?

Mr. LAWRENSON. That is correct.

The CHAIRMAN. I suppose it is understood that that man has to join the union? Those permanent employees are understood to be members of the union?

Mr. LAWRENSON. Yes; he may or may not join the union.

The CHAIRMAN. That is, he would not be discharged if he did not join the union?

Mr. LAWRENSON. Under our agreement with the Standard Oil Co. of New Jersey, which calls for preferential employment of union members at all times, we state that we are not desirous of coercing a man to join the union. It is on the obvious results and benefits to be attained that we take men into our membership.

The CHAIRMAN. Thank you very much.

**STATEMENT OF C. KING BENTON, HOOD RIVER, OREG., ON BEHALF
OF THE APPLE GROWERS OF THE HOOD RIVER VALLEY, FRUIT
GROWERS OF THE HOOD RIVER VALLEY, YAKIMA COUNTY
HORTICULTURAL UNION, AND OTHERS**

The CHAIRMAN. We have kept Mr. Benton, of Hood River, waiting here for some time. I think we should now hear Mr. Benton.

Mr. Benton, we apologize for keeping you so long; but you see what we have been doing all day.

Mr. Chairman, he represents a large group of apple growers in Oregon, Washington, and surrounding sections.

Senator THOMAS of Utah. Please give your name and address to the committee reporter, and state for whom you appear, Mr. Benton, if you please.

Mr. BENTON. My name is C. King Benton. My address is Hood River, Oreg. I am here to speak in behalf of the apple growers of the Hood River Valley, the fruit growers of the Hood River Valley, who number approximately 550, with a tonnage of 2,500 carloads of fruit; the Yakima County Horticultural Union, of Yakima, Wash., representing 400 members and a tonnage of 3,000 cars; the Yakima Fruit Growers' Association, of Yakima, Wash., with 800 members and 3,000 cars shipped; the Northwest Fruit Exchange, of Wenatchee, Wash., with 500 members and a tonnage of 2,500 cars; the Skookum Packers Association, of Wenatchee, Wash., with 500 members and a tonnage of 2,500 cars; the Wenoka-Okanogan Cooperative Federation, of Wenatchee, Wash., with 450 members and a tonnage of 2,500 cars; the Apple and Pear Growers, of Hood River, Oreg., with 550 members and a tonnage of 2,500 cars.

These represent about 2,700 individual farmers, and approximately 13,500 carloads of fruit, which is approximately 90 percent or more of the cooperatively organized, farm owned and controlled groups in the Northwest. In addition to that, I have been authorized by the Northwest Cannery Association to speak for them in connection with this bill, and by the Oregon Farm Bureau, as well.

The canning and fresh-fruit industry of the Northwest is interested in the problem of exports, in this manner: The exports of apples, handled in the 1936 season, were approximately 4,000,000 boxes of apples, directly from Northwest ports, and 1,800,000 boxes, which, on account of the 1936 strike, were shipped via Canadian ports and thence exported a total of 4,797,000 boxes of apples. The pears shipped from that section represent 596,000 boxes shipped direct and 385,000 boxes reexported through Canadian ports on account of the strike, a total of 981,000 boxes. The total export figures, combining the above, are 5,778,000 boxes. And in addition to those, we have the item of 151,000 tons of canned goods.

I came here as a farmer and a member of one of these organizations. I wish to bring to the committee the fact that this industry is an old, established industry. The bulk of these organizations are celebrating their twenty-fifth anniversary, and others are even older at the present time. The average for the industry is approximately 4,000 boxes of fruit per member. This is an economical fruit unit,

and requires additional help at harvest time, in addition to the man's work himself. The reason I mention that is because there has been an attempt in union circles to consider that anyone who employed any help beyond his own work was no longer an actual farmer.

The industry, as it exists today, begins approximately in November to spend money for fertilizer and other items of crop expenditures. During the winter and during the summer, additional items of expense are incurred, which amount to from 50 to 65 cents a box, in the loans that are granted on crop mortgages. This amounts to between \$150 and \$400 per acre, and is often considerably larger than the actual mortgage on the land. The market destination that this fruit will ultimately have is considerably influenced by these practices which take place several months before harvest. For example, the sizes alone of fruit make different market requirements in Washington, D. C., here, from New York, the requirements of Glasgow are different from those of Liverpool, and they are all different from London; and so on, all over the world. I mention this because there is a feeling that a box of fruit is a box of fruit. This condition does not exist; individual sizes of fruit have to be segregated. They have to be grown for the purpose, and they have to be shipped to specific markets. We have developed these ideas in the course of our 30 years of work there and have accumulated brand preferences in the terminal markets, which are largely due to the regularity with which they are supplied and to our knowledge of the specific market requirements.

It must never be forgotten that, from the farm standpoint, farm produce is of utterly no value on the farm itself; the only value that farm produce has is in the delivery to the markets of the world. And the farm value that is considered by the farmer is the residue that exists after there is deducted from the terminal sales all the transportation, storage, and sales costs. This means to us that any rise in the transportation, storage, or selling charges is paid for in increased deductions from that gross, and the farmer receives, therefore, a smaller return for his fruit.

It is the impression of these groups that adequate consideration has not been given to the tonnage involved, in these maritime discussions. We are considering primarily title 10 of this bill.

The CHAIRMAN. I realize that.

Mr. BENTON. For instance, taking the case of so-called export varieties of apples: If it turns out that shipment abroad is impossible, this fruit cannot be sold in any other market. The markets of the United States in many cases would not pay transportation costs of this fruit. This fruit has, in the meantime, over a period of approximately a year, incurred obligations on the part of the farmer—which, as I said before, equal his mortgage on his land. And this situation means, frankly, that if the total export shipments are stopped for a period of several months, through and during a fresh-fruit season, a large part of the growers, who are dependent on exports for their living, would be bankrupt in 1 year. The reason I mention this specifically is because late in the strike, during the 1936-37 strike, there was an indication that this strike might spread to the eastern coast and Canada. An effort was made by the maritime unions to accomplish that result. If that had been accomplished and the strike had spread and continued the length of

time it did, it would have seriously harmed and actually bankrupt hundreds of growers on the Pacific coast.

In the middle of that strike—approximately the 18th of December—there was held in Portland, Oreg., a meeting of the organized farm groups of the State. There were approximately 40 commodities represented. This was in 1936. In a poll of the meeting it was specifically stated by each commodity group there that all had suffered losses due to the maritime strike of 1936. The fruit people specifically had incurred losses from the following angles—and let me say in passing that figures on the actual losses, as developed at that meeting, were held impossible to get, because too large a proportion of the losses was indefinite, and no catalog of figures could possibly be obtained as to the actual losses suffered by the farmers of Oregon and Washington during the 1936 crop: There were extra fruit charges amounting to 12½ cents a box, for freight to New Westminster, on approximately one-third of our crop which was shipped through New Westminster. Part of this was assumed by transportation companies, but the growers themselves paid out of their own pockets 6¼ cents a box on all that fruit.

The CHAIRMAN. How much did they pay out?

Mr. BENTON. Six and one-fourth cents a box additional freight to New Westminster. The railroads billed us with 12½ cents. But a large part, amounting to about 6¼ cents, was absorbed by the transportation companies or the buyers, and we actually paid out of our own pockets 6¼ cents. That does not reflect the actual cost to the industry, however, because later that year allowances were asked for and given by buyers on the other side, for future shipments, on account of this differential to New Westminster. There was a fall in the general market levels of perishable fruits so great that in January 1937, I was told by a great many fruit shippers, that inquiries from abroad had been reduced to 25 percent of their normal volume.

We must remember that the European buyers, three, four, or five thousand miles away, have no conception as to the reliability and possibility of movement if they do put in orders when there are strike conditions possible.

In addition to all this, there was a loss in our market, owing to the lost consumption of fruit which could not be moved into the markets. This was specifically reflected in the canned Bartlett pears, which were held on the docks and in the warehouses of the Northwest, and which were not shipped during the 3 months of the strike. At the end of the season there was a tremendous surplus of canned pears, and there has been a problem ever since, of getting them moved into consumption, so that they might not block the movement of the succeeding crop.

We have been disturbed by one small feature in relation to these maritime contracts between the unions and the shipping companies: Apparently the date of renewal has been set as October 1 of late. This is approximately the beginning of our shipping season; and if the renewal of maritime labor contracts is due at that time, then we will enter our harvesting and shipping season, as we have for the last 3 years, with the knowledge that at any time it will be possible that there may be a disagreement, followed by strikes on the shipping lines, and then we will have to completely change our whole shipping lay-out for the ensuing part of the season.

The CHAIRMAN. Suppose it were fixed for, let us say, July 1. Would that interfere with some other industry?

Mr. BENTON. I imagine that would interfere with some other industry. But that date in the fall is bad, from the point of view of perishable farm commodities, in relation to the termination of their contracts.

The CHAIRMAN. Can you suggest a date?

Mr. BENTON. Perhaps some time in the middle of the summer—thus giving 3 months' time for negotiations.

The CHAIRMAN. Perhaps the 1st of May or the 1st of June?

Mr. BENTON. Yes; May or June would be acceptable—May, June, or July.

I want to say here that, so far as I know, there is no disposition on the part of the farmers in the Northwest to blame either side in these controversies; our only plea is for ourselves. We feel that some method of mediation should be set up that does not handicap as seriously as these strike conditions do, a perishable-commodity enterprise such as we are engaged in out there. We believe that the reason the Pacific coast has been picked out as a special field for this conflict is because of our distance from markets and the fact that comparatively a small part of our products is marketed for consumption in our own district. The Department of Agriculture, I believe, estimates 20 percent of our apple crop goes into consumption locally, which means that 80 percent has to be moved. And the same situation applies in California.

That factor means that the Pacific coast is susceptible to pressure, more easily than any other group in the United States, and further, that there is a higher percentage of perishable products raised there, which require long freight movement.

The CHAIRMAN. Do your products go safely in the refrigerator vessels? Do you have sufficient refrigeration space to take care of your products?

Mr. BENTON. We have the refrigeration space for our products. But there is this factor that comes into the market situation, as it has existed since the twenties: Earlier than the twenties there was a disposition on the part of speculative buyers to buy in quantity and to store—especially in the East—for later on in the season. After the war and during the twenties that situation has greatly changed, until today almost the entire buying is hand-to-mouth buying. There are a number of trade practices that have come into this buying situation, such as what they call ex-cold-storage deliveries. It is a peculiar condition of the English buyer's state of mind; that the English buyers will pay more for fruit that is delivered "fresh," as they call it, from a ship than they will pay for that fruit if it is put into cold storage and then later sold from cold storage. This means that it is necessary to ship in small quantities to each port, shipping to each port the amount that that port can consume until the next shipment arrives—which is a matter of days and not of weeks. Thus you can see the impossibility of operating with hand-to-mouth buyers unless there is a constant and free flow of tonnage from our ports to all these ports of the world.

Our own local situation in the Hood River Valley is somewhat accentuated, and more so than it is in the other groups, because our tonnage is more largely export. An average of 40 to 50 percent of our tonnage is exported, and the figure has been as high as 80 percent of the entire crop. However, on the whole, about 60 percent of the crop

is consumed within the United States. Consequently we feel the pressure of these export difficulties more keenly than does the average farming and marketing group of this country.

The CHAIRMAN. Have you recently found less demand for American apples in England than formerly?

Mr. BENTON. The demand for United States apples in England is now less than it was before they placed tariff restrictions. The tariff restrictions in England amount to 48 cents a box on our fruit, and that is often 50 percent of the f. o. b. value of the fruit. The Canadian shippers are selling, in other words, on a 48-cents-per-box differential.

The CHAIRMAN. I happened to be on the east coast of England immediately after the war, and I was surprised to find that they had filled in great areas of land, there, in the same way that Holland was redeemed, across the North Sea. And they were planting it to apples. The purpose of my inquiry was to find out if those apples now have come into bearing, so that they have taken a material part of the English market.

Mr. BENTON. The apples that are grown in that kind of climate that exists in England—and the same situation applies regarding a similar climate in this country and in the rest of the world—are not the kind of apples that will keep. This kind of apples supplies the early market, in September, October, and November, before our apples can reach there. There is a very small amount of such apples marketed.

The CHAIRMAN. They were using the German prisoners to fill in that land. But, of course, from my standpoint there is no comparison between an American apple and an English apple; I would think they would also feature an American apple as much better.

Mr. BENTON. They do—and particularly in England, which is the largest importer of American fruits, anyway. There is more of an inclination to eat apples in their particular diet, in relation to citrus and other fruits, than there is any other place in the world. The American apple has a larger proportion of savor on the English tongue.

There are three or four basic thoughts in connection with legislation such as this which we feel should be clarified. Out there in the Northwest, now, for over a year we have been considering this problem of labor disputes in relation to transportation. And with that in mind, we believe the matter of responsibility on the part of the labor unions—responsibility which has to be placed on any group which becomes powerful enough to exercise its power without restraint—presents this situation: It is our judgment that this matter of responsibility should not be made financial. That method of defining responsibility was tried in England years ago and found not to work. In 1900, under the Taft-Vale decision, in connection with a strike on an English railroad, it was found necessary within a few years after that decision to abrogate that responsibility from the labor unions, in justice to their operations, on the whole. We feel that is good business; but we do feel that, in lieu of financial responsibility, some other type of responsibility must ultimately be placed on any group having the control which we anticipate the maritime and other labor unions will have in this country.

It has been the suggestion of those of us in the Northwest that that type of control might best be exercised by some method of licensing or incorporation. Because without such an arrangement, then should there ultimately develop on the part of labor an unwillingness to negotiate—in fairness not only to themselves but to the public at large—then the right to negotiate itself might be placed in jeopardy.

The CHAIRMAN. Of course, if we proposed that plan, the result would be to bring down fireworks that would startle this Capitol. We would have many, many groups and interests fighting the idea of incorporation of the unions.

Mr. BENTON. Mr. Chairman, at the Oregon State Legislature last year, I talked a good many times on this point, as did the other agricultural representatives at that legislature; and we heard all that you might have here ourselves. We realize just what is involved. Nevertheless we do feel that basically there is one clean-cut factor—a basic plea on the part of the unions and the Department of Labor today—which is this: That in the period of organization and nationalization, the development period in unions, no restrictions should be set upon them.

Now, basically, that is their plea against this type of regulation that is implicated in title 10: That whenever they become established, then—as in the older unions' cases—they will be willing to accept some type of restriction.

The CHAIRMAN. That is what they say here.

Mr. BENTON. Our plea, from the Northwest, is this: We want to be alive, in business, when that takes place. But we do not believe we can exist until that time comes if present conditions continue. In the meantime, while these adjustments are being made, we believe that a third party, or perhaps a fourth party—the shipping and consuming public—will have to be considered in the adjustment of these disputes. And it is that plea which brings me here from the Northwest.

These different groups are not absolutely specific in demanding any particular set-up such as the Labor Relations Board; but we want to accomplish the same result as has been accomplished on the railroads.

There is one specific case of break-down which disturbs us very greatly in connection with labor disputes, and that has taken place since the settlement of the 1936 strike in February or March of last year. There was incorporated in that settlement a definite clause that these maritime unions would not go out on sympathetic strikes taking place away from seaboards. We are under the impression that there have been several cases where attempts have been made in some of the different Pacific coast ports to call sympathetic strikes in order to force some type of organization connected with this jurisdictional dispute away from the seaboard. This is a matter of grave concern to us. And we think that in those instances to which I refer, the solution preventing such sympathetic strikes came not from the unions' attitude but from the fact that the shipping organizations insisted, in each case where there was an attempt to call a strike, that the whole port would be tied up; as I understand it, in those instances that was the only factor which actually kept strikes from taking place for more than a few hours in those ports.

In other words, we do not feel it safe to leave this matter of the interpretation of these things to the unions or, so far as we are concerned, to the shipping companies themselves. We feel that our interests, as consumers and producers, must be a factor to be considered, and that some other agency or some other factor in these mediations should be introduced to protect our interests.

This bill provides, in another clause, for subsidies. These subsidies, in a rough way—figuring on a coastwise voyage with our products, of approximately 5,000 miles—would amount to about 6 cents a box on our product—or about 10 percent of the total freight load. We believe that the problem of maintaining these ships is a problem of maintaining tonnage for those ships; and we believe that we, as contributors furnishing 90 percent of the money receipts—the income to the lines—should be considered as a necessary party to the continuation of free, unrestricted commerce.

Finally I want to bring this plea to you: We are a sick industry, there on the Pacific coast. The f. o. b. New York auction returns, as stated by the Bureau of Economics' compilations, have dropped in the past 10 years, on apples, from \$2.64 per box, in New York, to \$1.78; and on pears, on bushels, from \$2.08 to \$1.20. This drop in prices has made our industry very near the border line; and I would say that approximately 30 percent of the acreage has been cut out. In other words, we are not talking from the standpoint of an industry which can "take more on the chin" and continue to operate. The fresh-fruit branch of our industry has not proved able to use the Panama Canal intercoastal service for shipments to the eastern coast, in any degree. The Panama Canal has been used, by us, almost entirely for export shipments to Europe, those shipments taking the bulk of our exports.

However, in regard to canned fruits, a large percentage of our movement has taken place through the Panama Canal. On account of the weight involved and the competition that we receive from eastern sections, in canned fruits, it is very difficult for us to ship overland and meet that competition and bring anything back to the Northwest. By way of illustration, I can point out, as a specific case, those cherries which go into maraschino cherries: At the time of the strike in 1936, there was a general cancelation, on the part of New York and eastern buyers, of orders during that strike, owing to the extra cost of delivering that kind of fruit by freight overland. Italian cherries could be brought in at lower figures.

I have one further item, if you please.

The CHAIRMAN. Under our laws, can you hold your apples in one of your ports and ship directly to Europe in a foreign ship?

Mr. BENTON. Yea.

The CHAIRMAN. Did you do that to a considerable extent while we were having these maritime strikes?

Mr. BENTON. We could not load them because of the longshoremen and the loading crews. In fact, during the strike we were confronted with the situation that prior to the strike we had stored in the municipal terminal in Portland a considerable body of fruit. It was necessary for longshoremen to load that fruit from the municipal warehouse to cars, to go to New Westminster. It was necessary for those cars to be billed to the eastern seaboard; because if they were billed to New Westminster, the longshoremen, under their

agreement, could not touch them. So, in order to move the fruit and at the same time keep the longshoremen straight, and still get this fruit out of storage, it was necessary for us to fake bills of lading.

It has been a matter of grave concern to us that, with that big shipping industry, all through the winter of 1936 we have had to sing, "God Save the King," in order to move our tonnage out of this country.

In California there has been developed a slogan, by the organized farmers of that district—and, incidentally, they are organized in a new organization, which has one and only one function: To meet their problems in labor relations. This organization has made the statement that, "To the farmer, the freedom of the highways"—and, as far as we are concerned, of the seas—"is as sacred as the freedom of speech." We believe that the matter of freedom on the part of agriculture to move its products when and where it pleases, should not be under the dictation of any person or group of persons, except in acting under specific public interest. And it is in behalf of that general public interest that I come to beg of you that some method of mediation be set up, as this bill suggests, so as to bring about conditions under which, in the majority of cases, there will be no cessation of shipments.

The CHAIRMAN. I think I read that when you were having trouble, out there, the farmers threatened to go down to the shore and move those apples.

Mr. BENTON. I was one of those farmers myself, Senator. And I followed that line of thought for some time, until we came up against this: We could have loaded one or two ships, but we could not load ships that did not sail from other ports because they knew there was port trouble in the Northwest.

There is another factor of loss that took place in this Portland strike. There was a threat, on the part of longshoremen, to unload grain in Portland. Finally that was settled and the longshoremen unloaded the ship. But in the holding up of the ship in Portland the supplies of that type of grain became so depleted in the Northwest that the balanced rations of feed for dairies and for chickens, were definitely affected, thus throwing a number of farmers' flocks and herds off of their feed, with a resultant loss from the discontinuation of production of eggs and milk that can never be estimated. That is just one of the byproducts of such trouble.

In closing, I should like to say, in repetition, that we are sympathetic with the problems of organizing labor and labor unions; we believe union labor is an essential step in our national economy; but we believe that in this organization some method must be set up by which the producing and consuming public will be protected in the regular transshipment of commodities that today is made essential by the hand-to-mouth buying that exists in America and in the world at large.

The CHAIRMAN. Thank you very much.

**STATEMENT OF CAPT. HOWARD G. COPELAND, UNITED STATES
NAVY, OFFICE OF THE CHIEF OF NAVAL OPERATIONS, ON
BEHALF OF THE BUREAU OF NAVIGATION**

The CHAIRMAN. Captain Copeland, we have kept you waiting a long time. I am sorry. Please proceed.

Captain COPELAND. My name is Capt. H. G. Copeland, attached to the office of the Chief of Naval Operations, but presenting the comment of the Bureau of Navigation regarding S. 3078.

I should like to say, Mr. Chairman, that this comment of the Navy Department bears no relation to the President's program.

The CHAIRMAN. I see.

Captain COPELAND. This committee, Mr. Chairman, asked the Navy Department to comment on S. 3078. The official comment will be along in a few days; but because of a delay, the Department was anxious to get its viewpoint before the committee. And I have prepared a statement to that effect, in as brief a manner as possible.

I should like to say that in the event of national emergency or war, the Navy Department will be called upon to take over vessels that have been inspected by naval officers and declared to be suitable for use as naval auxiliaries; and that in order to man the number of vessels which the Navy Department estimates, it will be necessary to take over some 5,000 officers and 35,000 men, who will be necessary. That represents the Department's paramount interest in the situation.

The CHAIRMAN. How many men?

Captain COPELAND. Five thousand officers and 35,000 men.

In view of the importance of the merchant marine as a factor for national defense, and of the far-reaching influence that the character of its personnel has on its value as such, the Bureau of Navigation, as the Bureau charged with the responsibility for personnel matters, desires to include in its comments on S. 3078 some accepted principles and basic considerations with regard to the merchant marine in relation to the national defense.

National policy: The Congress, in section 101 of the Merchant Marine Act of 1936, declared, "It is necessary for the national defense that the United States shall have a merchant marine capable of serving as a naval and military auxiliary in time of war or national emergency." It is obvious that the discipline and efficiency of the licensed and unlicensed personnel, not only in their purely merchant-marine capacity but also in their role as forming an important factor in the national defense, are of the utmost importance. Insofar as the national defense is concerned, undisciplined and incompetent personnel will convert the fighting ship into a liability rather than an asset. Since the Navy Department is responsible for the operation of merchant ships when they are converted to naval auxiliary use or are chartered to serve the fleet, it is the department of the Government which is primarily concerned with any training or measures which may be intended to prepare the merchant-marine personnel, licensed and unlicensed, to perform their duties with respect to the national defense. The Navy Department is prepared to discharge its responsibility through its Merchant Marine Naval Reserve. The Navy Department is prepared also to cooperate to the fullest extent with

other agencies of the Federal Government in their efforts to train personnel for the efficient performance of their merchant-marine duties. However, it considers any steps intended primarily to fit licensed and unlicensed personnel to discharge their duties in behalf of the national defense as specifically a matter properly coming under the jurisdiction of the Secretary of the Navy.

Therefore the Department of the Navy is opposed to the establishment of such activities under other agencies, and the appropriation of funds to other agencies for these purposes. Such funds as can be devoted to making the merchant marine a more efficient factor in the national defense, should, insofar as personnel is concerned, be used to train the Merchant Marine Naval Reserve.

With respect to the matter of State schoolships, under the provisions of an act of Congress entitled "An act to encourage the establishment of public marine schools and for other purposes," and amendments thereto, four States maintain and operate nautical schools: Massachusetts, New York, Pennsylvania, and California. These schools bear a special relationship to the Navy Department, which—under the provisions of the act referred to—gives an annual cash grant of \$25,000 and the loan of a vessel, with all of its equipment and furnishings, to each of these States. In addition, the Navy Department makes all of the necessary repairs on each vessel, so run; and these repairs are chargeable to regular naval appropriations. The commanding officers of the training vessels are retired captains of the Navy. The course of training and discipline at these four schools enhances the usefulness of their graduates and as potential Naval Reserve officers. In view of the very special and important personnel and matériel interest the Navy Department has in the schoolships and the State schoolship system, the Navy Department is opposed to any development that would interfere with their continued operation under the auspices of the States and the Navy Department, unless and until a satisfactory substitute system, such as a Federal Merchant Marine Academy, is first established and put into successful operation. These schoolships constitute a part of the regularly established educational system of their States. They offer specialized training in their fields, in the same way that other State institutions offer training in engineering, law, and so forth. In view of the important contribution these schools have made and are making in fitting students for licensed positions in the merchant marine, and the valuable training those students receive to fit them as Naval Reserve officers, any curtailment of their activities would at present not be justified.

Based on the foregoing considerations, the following major recommendations for change in S. 3078, as to personnel features, are made:

Section 44, page 32 (a): The Navy Department recommends against enactment of the proposed new section 216 (b).

The CHAIRMAN. You recommend against (a)?

Captain COPELAND. Yes, sir; section 44 on page 32, section 216 (b).

The CHAIRMAN. Yes. You recommend against (b)?

Captain COPELAND. Yes, sir. It appears that the proposed United States Merchant Marine Service will duplicate the Merchant Marine Naval Reserve. No advantage can readily be seen for the establishment of such a service over the existing Naval Reserve. This organization now is operative, naval ranks and ratings are accorded, and

courses of training are authorized. Funds are lacking to carry out this training to a satisfactory degree; but the provision of funds for the Merchant Marine Naval Reserve would, it is believed, be more productive than similar amounts appropriated for a new service.

As to the training of merchant-marine personnel, training of untrained personnel to enable them to enter the merchant-marine service is provided for in the new proposed sections 216 (a) and (c). The proficiency of this personnel, in their merchant-marine duties, is evidenced by licenses and certificates issued by the Department of Commerce. Further training for advancement is best accomplished by the practice of their calling. Further training for national defense duties should obviously be specifically under the control of the Navy Department.

The CHAIRMAN. Captain, as I understand the matter, those who are advocating this United States Merchant Marine Service are seeking to put it under the Coast Guard, and at the same time not to interfere with the State schools which have to do with the training of officers.

Captain COPELAND. Yes, sir. The Navy Department is opposed in principle to the enactment of section 216 (b), feeling that the United States Merchant Marine Service will duplicate the already existing Merchant Marine Naval Reserve. In other words, the bill proposes to create a service composed of licensed and unlicensed personnel of the merchant marine and to give them ranks comparable to ranks in the Coast Guard, which means comparable to ranks in the Navy. And the Navy Department feels this will be a complicated sort of a situation and that a properly trained merchant-marine personnel, and that part of a merchant-marine trained personnel which exists as a naval auxiliary in any sense, should be under the control of the Navy, which is charged with the responsibility for national defense.

The CHAIRMAN. As I understand the practical situation, Captain, the unions oppose any school. They do not think it is necessary. Then, as between the Navy and the Coast Guard—not loving either—they appear to love the Navy less, because the Navy has a military discipline which is somewhat out of harmony with the somewhat rough and ready activity of the Coast Guard.

Captain COPELAND. Yes; I understand so.

The CHAIRMAN. Do you think there is any foundation for that?

Captain COPELAND. Well, I do not know about it from first hand, sir; but I shall touch upon what the Navy Department thinks about that matter.

The CHAIRMAN. All right.

Captain COPELAND. I am referring to a merchant-marine personnel now. The proficiency of this personnel, in their merchant-marine duties, is evidenced by licenses and certificates issued by the Department of Commerce. Further training for advancement is best accomplished by the practice of their calling. Further training for national-defense duties should obviously be specifically under the control of the Navy Department. The Navy Department takes that stand because the Navy Department is the department of the Government that is charged with that responsibility at the present time. Any funds appropriated for this purpose should be utilized in training the Merchant Marine Naval Reserve. We have not been able to get money for that purpose, Mr. Chairman.

The CHAIRMAN. No.

Captain COPELAND. We got a very little, last year, for a start.

The CHAIRMAN. Captain, since you have broken in, on your own comments: There was a further suggestion from the unions that the Maritime Commission appoint a committee of 10, with 5 union men or sailors and 5 men from the service. Is that right?

Captain COPELAND. Yes; there was to be a committee to supervise training.

Mr. JAMES P. MULLEN. That is correct, sir.

Captain COPELAND. (b) Section 44, pages 31 to 32: Amend proposed section 215 (a) by adding the following proviso:

Provided, That the Maritime Commission is hereby authorized and directed to make available to the Navy Department from such funds as may be appropriated to carry out the provisions of this section, such amounts as are necessary to build, as needed, replacements for ships loaned to State marine schools or ships required by new State marine schools established under authority of title 34, sections 1121 and 1122, United States Code, as amended: *Provided further*, That the Maritime Commission is hereby authorized and directed to make available to the Coast Guard, from such funds as may be appropriated to carry out the provisions of this section, such amounts as necessary to train unlicensed personnel for service in the merchant marine.

This is the reason for that: The State marine schools are a satisfactory source for the training of licensed personnel. They can be expanded either in number, under existing authorization, or in scope by broadening the field of candidates beyond the residents of the respective States to meet all requirements. The Navy Department, because of its interest in these students as prospective Merchant Marine Naval Reserve officers, does not desire to supplant the State marine school system, but requires funds to supply these schools with proper ships to conduct their training. The Coast Guard is a suitable agency to train unlicensed personnel for the merchant marine. No facilities, other than service at sea on marine vessels, now exist for this training. The Navy Department is interested in this training, from the standpoint of national defense, but considers that the Coast Guard is well fitted to undertake it and carry it out.

(c) Section 5, pages 4 and 5: Renumber section 5 as section 5 (a), and add a new amendment, section 5 (b), as follows:

Section 5 (b), section 302 of the Merchant Marine Act, 1936, is hereby amended by renumbering subparagraph (h) as (i), and inserting a new subparagraph (h) as follows:

"(h) Within 1 year of the passage of this act, 20 percent of the unlicensed personnel employed on vessels on which an operating differential subsidy is paid under authority of title 6, or employed on the Commission's vessels, shall, if eligible, be members of the United States Naval Reserve."

The CHAIRMAN. How many years?

Captain COPELAND. Within 1 year of the passage of the act, 20 percent, sir.

The CHAIRMAN. Yes.

Captain COPELAND (continuing):

Each year thereafter, an additional 10 percent of the unlicensed personnel so employed shall, if eligible, be members of the United States Naval Reserve: *Provided, however*, That the maximum number of unlicensed personnel required to be members of the United States Naval Reserve shall not exceed 50 percent.

The reason for that is as follows: Section 302 (9) of the Merchant Marine Act of 1936 requires all deck and engineer officers similarly employed, if eligible, to be members of the United States Naval Reserve. A requirement that a part of the unlicensed personnel also be

members of the United States Naval Reserve will better prepare vessels subsidized for the national defense, to support the Navy in an emergency.

Minor changes are recommended as follows:

Section 5, page 4: Amend proposed section 301 (b) (5) by substituting, in line 20, the words "licensed and unlicensed personnel" for the words "licensed officers."

The reason for this is that if the amendment with reference to requiring a certain percentage of the unlicensed personnel in the Naval Reserve is adopted, the above language should be changed to conform.

Section 5, page 4: Amend proposed section 301 (b) (4) to read:

The uniform stripes and other officer's identifying insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia.

The reason for that is that the present language of the act has caused doubt as to whether the wearing of any decorations, medals, or other insignia not made of braid is forbidden. This amendment would remove doubt as to the propriety of making the specially designated insignia described in section 301 (b) (3) for licensed officers of the Naval Reserve of metal.

The Chief of Naval Operations, in commenting upon this, makes two comments regarding matériel matters and not in connection with the personnel matters. I believe they are going to present those in a bill; but I should like to include that—

It is recommended that section 215 of S. 3078 be amended by the insertion of the words "and requisition" after the word "operation," in the third line of this section, and the elimination of the "and" between "construction" and "operation." The amended section would then read:

"The provisions of this act, insofar as they are practically or appropriately applicable, are extended to the construction, operation, and requisition of aircraft."

It is believed that it is the intention of the bill to place aircraft engaged in overseas transportation, under the jurisdiction of the Maritime Commission, under the same general provisions as ships. The wording of this section at present leaves some doubts as to the requisitioning powers of the Commission; and the proposed change would definitely clear this up.

While not covered in S. 3078, it is considered that section 902 (a) of the original act should be amended to provide for the requisitioning of vessels "whenever a national emergency is imminent," as well as "during a national emergency," as now provided.

That is all, sir.

The CHAIRMAN. Thank you very much, Captain.

Captain COPELAND. Thank you, sir.

The CHAIRMAN. I think that is all for tonight. We have been in session since 11 o'clock this morning, and it is now 6 p. m.

(Whereupon, at 6 p. m., an adjournment was taken, subject to call.)

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